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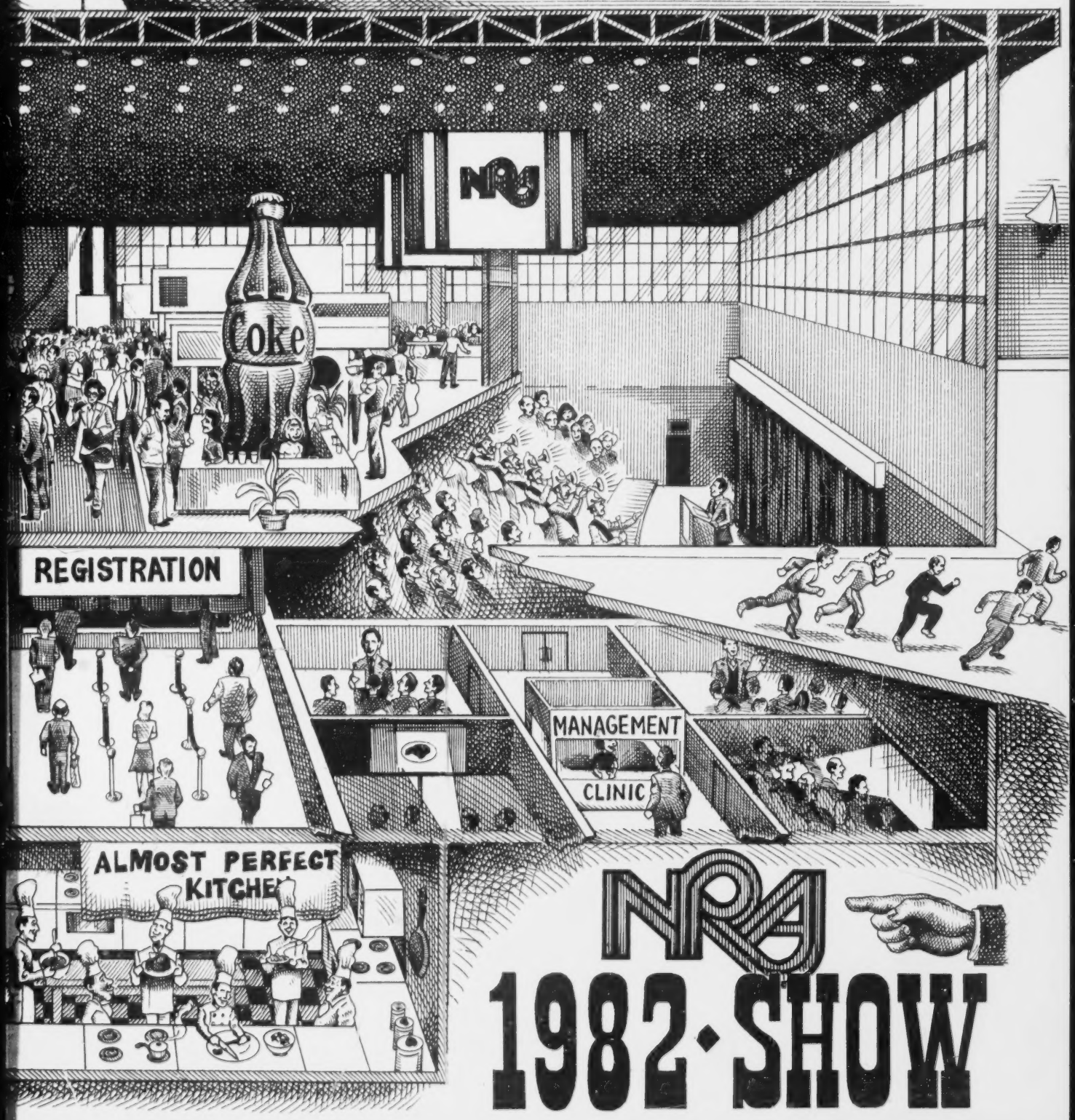
NRA NEWS



NRA 1982 SHOW

See you there . . . NRA 1982 Show!

May 22 through 26 at McCormick Place, Chicago, IL—that's the where and when of our industry's biggest and wildest happening. For 63 years, the NRA Show has provided the event-of-the-year for the hospitality industry, and each year it has been bigger, better and somehow brand new.

About 80,000 members of the hospitality industry gather annually for the NRA Show. Why? To see the latest products, to hear the newest ideas, to meet the industry elite, and just to enjoy themselves.

This year they will visit three huge floors containing 1,200 exhibits of the latest food products and equipment. They will talk to exhibitors, trained demonstrators and merchandising experts who will explain the newest foods, services and operating techniques.

They will attend educational programs designed to make them rethink every operation. David Armangsco, general manager of Durney Vineyards, moderates a panel on profits from the wine cellar. Thomas Haas, publisher of *Nation's Restaurant News*, and a panel of restaurant writers talk about getting along with your critics. Hank Laskin of Commercial Insurance Agencies discusses the scope and cost of restaurant insurance. The NRA Management Clinic offers an amazing variety of programs covering topics like labor costs, food purchasing, legal problems, seafood consumption patterns, wine merchandising and on and on. Then, there's still more. NRA will present 12 of its most popular one and two-day seminars during the first two days of the Show.

High-powered speakers will be featured, too. Writer and humorist C. Northcote Parkinson (Parkinson's law) will bring his genuinely useful laws to bear on hospitality management practice. And, if you want help understanding how the world is going, journalist George Will and commentator Paul Harvey will analyze the latest news.

Then there are the other events—the annual NRA Culinary Salon, the second annual 10 Kilometer footrace, three evenings of celebrity entertainment and all the excitement of Chicago in springtime.

The 1982 NRA Restaurant and Hotel-Motel Show is where you learn what you need to know to run your business while having a blast. We want you there.

Ted Balestreri

Ted J. Balestreri

Chairman, Convention Committee

NRA NEWS

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Membership survey to be completed

The more we know, the better we serve.

Every NRA key member will receive a short NRA questionnaire in the mail between April 15-30. Please take five minutes to complete it.

NRA needs to know

- how many units each member operates
- what types of restaurants our members operate
- how many workers are employed.

Please make this survey one of your top priorities.

SHORT ORDERS

NRA offers research handbook to aid in promotions

Ready to beef up your promotions? Begin with NRA's new publication *Market Research for the Restaurateur.*

The handbook will help you use basic research techniques to focus on the right audience and draw more attention to your operation. By using simple sales analysis, customer-comment cards, trading-area studies, competition analysis and consumer attitude surveys you will be equipped to determine what type of promotion will increase your sales.

To order *Market Research for the Restaurateur*, call or write NRA's educational materials center in Washington, DC.

Restaurant architects to review conservation

The next meeting of NRA's Multi-Unit Architects, Engineers and Construction Officers (MAECO) is scheduled for the Chicago Marriott, Chicago, IL, May 19-21, 1982 — just prior to the NRA Show. Warren Callahan of L-K Restaurants & Motels, Inc., is chairman of MAECO. Programs will include designing safer foodservice facilities, relamping as an energy conservation measure, proposed building code changes and energy management systems. Contact Andy Poledor at NRA's Chicago office for meeting and hotel information.

NRA quality assurance group to discuss safety and health issues

NRA's Quality Assurance Officers are scheduled to meet at the Sheraton Harbor Island Hotel, San Diego, CA, Apr. 19-21, 1982. The program topics include vendor accountability, open-shelf life dating and roundtable discussions on microbiological levels, marketing quality assurance and sodium limitations. Current cochairpersons are Maryknoll Benner, director of quality assurance, Taco Bell, and W. Joel Simpson, director of quality assurance, Dobbs Houses, Inc. Contact Andy Poledor at the NRA's Chicago office for more meeting and hotel information.

NRA reveals demographic trends in eating out

Young people, between the ages of 18 and 24 eat out more frequently than any other age group, according to a recent study commissioned by NRA. NRA's survey on eating out patterns reveals demographic characteristics by age, sex, income, family size, female employment and region.

Southerners eat out more often than individuals from any other part of the country. Men dine out almost twice as frequently as women and senior citizens dine out infrequently.

If you are planning on expanding your promotional campaigns or adding new items to your menu, these demographic trends should help guide you toward higher profit margins by allowing you to focus on your potential market. For more information on trends uncovered in this survey see Foodservice Trends, pg. 28.

WASHINGTON REPORT

Regulatory relief task force reviews NRA issue

The President's Task Force on Regulatory Relief will review the Department of Labor's (DOL) controversial rules for paying exempt restaurant managers. The DOL rules are one of 11 regulatory issues the task force will study this year.

NRA raised the exempt manager issue with the vice president last April because it has become a significant problem in the industry.

In commenting on their decision to study these rules, the task force staff said, "The current regulations appear to restrict unnecessarily the managerial flexibility of restaurant owners and the training and advancement opportunities of restaurant employees."

President Reagan created the cabinet-level task force last year to help ease the growing federal regulatory and paperwork burden on Americans. The task force reviews proposed regulations, assesses existing regulations with an eye toward revision and coordinates proposals for legislative change.

DOL rules frustrate restaurateurs. . .

NRA has had little success in persuading DOL to clarify its lengthy and confusing rules concerning the payment of managers and assistant managers in restaurants. The Fair Labor Standards Act specifies that bona fide executive, administrative or professional employees are exempt from minimum wage and overtime requirements. That is, they can be paid on a salaried basis rather than by the hour and overtime.

The problem arises in the regulations DOL has written that set forth six conditions that must be met before an employee qualifies for exemption from the minimum wage law. These criteria include

- that an exempt employee must have as his primary duty managing a company, subdivision or department
- that he regularly directs the work of at least two other employees
- that he has the authority to hire and fire, or his recommendations are given particular weight
- that he regularly exercises discretionary powers in his work
- that his non-managerial duties take up no more than 40 percent of his time (if he works in a retail or service trade) and
- that he is paid not less than $155 per week.

Obviously, the condition that is most difficult to meet in a restaurant is the one relating to non-managerial duties. Generally, managers in restaurants are called on to do many kinds of non-managerial jobs, such as operating the cash register, cooking food, setting tables — anything to keep the operation running smoothly and efficiently.

DOL's own rules recognize this fact; DOL notes in its regulations that the determination of whether an employee has management as his primary duty must be based on all the facts in a particular case. When an employee spends significant portions of his time (even over 50 percent) in non-managerial tasks, he may, nevertheless, have management as his primary duty if other pertinent factors support such a conclusion, the DOL rules state.

"For example," DOL says, "in some departments or subdivisions of an establishment, an employee has broad responsibilities similar to those of the owner and management of the establishment but generally spends more than 50 percent of his time in production or sales work. While engaged in such work

he supervises other employees, directs the work of warehouse and delivery men, approves advertising, orders merchandise, handles customer complaints, authorizes payment of bills or performs other management duties as the day-to-day operations require. He will be considered to have management as his primary duty."

Sole charge provision. . .

This example from the department's own regulations is an accurate description of the types of managerial duties that assistant managers in restaurants often perform, but DOL has never allowed the restaurant industry this particular exception.

Instead, the common approach by DOL in the case of restaurants is to apply the department's so-called "sole charge" position — that an employee who is "in sole charge of an independent establishment or a physically separate branch establishment. . . is considered to be employed in a bona fide executive capacity even though he exceeds the applicable percentage limitation on non-exempt work." However, this rule allows only *one* employee per operation to be considered exempt. Rarely, if ever, can an assistant manager or night manager qualify as exempt — no matter how high his salary may be — unless he meets the 40 percent rule.

Field agents of the Department routinely deny assistant managers classification as exempt managers. The result, not infrequently, is that when overtime pay is calculated on a retroactive basis, assistants receive higher pay than their supervisors. The natural accommodation to this by management is to put all managerial employees on an hourly wage. This, NRA maintains, is contrary to sound organizational principles. It impedes the development of managerial skills and often works to the disadvantage of affected employees because in many cases they lose the benefits normally restricted to salaried employees, and their rights under profit sharing and pension plans are frequently affected.

Task force also will review teenage rules. . .

The vice president also announced in February that the task force will review the Department of Labor's teenage employment rules. DOL regulates the work that can be done after school and on weekends by teenagers, as well as the types of businesses in which youths can be employed. In addition, it imposes cumbersome annual certification requirements on those who employ teenagers. "These regulations contain many illogical and unnecessary restrictions on youth employment," the task force said. "For instance, the regulations prohibit teenagers from cooking hamburgers behind partitions but permit them to cook hamburgers behind lunch counters."

NRA has asked DOL to review a number of rules regarding teenage employment in restaurants, specifically Hazardous Occupation Orders Nos. 10 and 11, which pertain to baking and cutting machines used in restaurants. Restaurants employ more teens than any other single industry, so NRA considers the task force's decision to review these rules as a very important step in the right direction.

Other rules targeted for review by task force. . .

Some of the other rules and regulations the task force will review this year include

- Employee Retirement Income Security Act (ERISA) regulations and paperwork
- facilitation of exports by small business
- protections against trade secret abuses under the Freedom of Information Act
- credit regulations
- food manufacturing regulations and
- meat and poultry inspection exemptions.

Congressman labels USDA beef grading proposal "consumer rip off"

U.S. House Democrat Peter Peyser, (NY), introduced a resolution disapproving of the U.S. Department of Agriculture (USDA) proposed changes in beef grading standards. Peyser labeled the USDA proposal as a "rip off to the American consumer." His resolution asks for an immediate withdrawal of the proposal by USDA. In

introducing the resolution Peyser stated, "Since its inception, people have come to rely on the USDA beef grades in making their purchasing decisions. Whether it's a housewife shopping for her family or a chef selecting the prime cuts for the restaurant's clientele, the beef grades tell consumers about the quality of beef they are buying with the. . . insurance that the beef they buy will be consistent with past purchases."

NRA, along with the Meat Purveyors and the Community Nutrition Institute, met with Peyser to ensure support for his resolution before he introduced it in the House on March 4.

USDA accepted comments on the proposal through March 31 and will study the proposal for up to 90 days before a written decision is published.

Farm bill issues resurface in Senate

Although the 1981 Farm Bill was signed into law late last year after heated debate in Congress, two controversial issues in the bill of significance to the foodservice industry have resurfaced in the U.S. Senate: requirements on imported beef labeling and commodity price supports.

Sen. J. Bennett Johnston (D-LA) introduced a bill (S. 2099) which would require imported beef to be labeled at all stages of distribution until preparation for ultimate consumption. "The intent of this legislation," Johnston ex-

plained, "is to assure that the consumer is fully aware of the source of the beef he is consuming to enable him to make as informed a choice as practical when he makes a purchase."

"The bill does not extend the imported meat labeling requirement to restaurants nor does it impose any new restrictions on imports. It simply requires full disclosure of the source of the beef to be purchased prior to preparation for final consumption," noted Johnston.

Several measures that required labeling in restaurants were proposed as amendments to the Farm Bill last year. These were opposed by NRA and other industry organizations, and they were dropped when the final bill was passed.

The final language in the Farm Bill passed by Congress regarding imported meat requires that all imported meat be subject to the same inspection, sanitation, quality, species verification and residue standards as are applied to similar products in the United States. Despite these new requirements, Johnston said he remains concerned "about the ability of the U.S. Department of Agriculture to make certain that imported beef reaching the American market is clean and free from contaminants which have been banned in this country.

"In my view, the simplest and most effective way of protecting the efforts of the American cattle producer and the interest of the American consumer is to provide information of the source of the meat and allow the consumer to make a choice. An informed consumer is the best judge of his own needs, and information is the service this legislation is intended to provide," stated Johnston.

New bill would raise support level for commodities. . .

Sen. James Exon (D-NE) introduced a bill that would restore the price support for wheat, corn and dairy products to those levels originally contained in the Farm Bill as reported to the Senate in May of 1981. The support levels later were reduced in the final version of the bill, and Exon now says the 1981 Farm Bill commodity supports are "inadequate in meeting the needs of our grain and dairy farmers.

"When the Senate considered S. 884 (1981 Farm Bill) in September of last year, amendments were adopted which significantly reduced the price supports for wheat, corn and dairy. During that debate on these amendments, I rose to object to the adoption of these reduced price support programs, believing that they would surely spell a continued decline in our agriculture economy. During the recent recess, I became increasingly alarmed at the effects the current recession was having on our farmers."

Despite Sen. Exon's concerns, it was clear to Congress and the administration last year that the support programs, particularly dairy, had been set too high in the past. The dairy price supports alone resulted in government expenditures of over $2 billion in fiscal 1981 for surplus dairy products. High dairy price supports ultimately mean higher consumer prices. For this reason, NRA backed the administration's drive to cut the expensive price-support program when the issue was voted on last fall.

The Farm Bill enacted last year sets dairy price supports at specific levels, generally around 70 percent of parity. The Exon legislation would allow the secretary of agriculture to set parity above that level if support purchases exceeded certain target levels.

Both the Exon and Johnston bills have been referred to the Senate Agriculture Committee. There are no cosponsors for these measures, and no action has been taken to date.

Emergency petroleum act vetoed by President

President Reagan vetoed the Standby Petroleum Allocation Act (S. 1503) on March 20, a measure that gives the Executive the power to set prices and allocate petroleum supplies in an oil shortage emergency (see March *NRA News*). Reagan opposed the legislation because he believes the authority provided in the bill is not needed and that a free-market approach is best in petroleum emergencies.

The President's veto could have been overridden if both houses of Congress voted by a two-thirds majority to enact the bill. The measure went back to the Senate where originally it passed by a large margin (86-7), but the Senate failed to override the veto on March 24. Failure by the Senate to override the veto in effect kills the bill.

Allocation of fuel during a shortage could affect food delivery to foodservice facilities. For this reason NRA argues that any allocation should give priority to food distribution — from the farm gates to the home and restaurant kitchens.

The bill would have extended some of the powers the President had under the Emergency Petroleum Allocation Act of 1973, which expired on Sept. 30, 1981. It would have allowed price controls and restrictions, but it did not call for rationing.

House and Senate conferees dropped a provision in the House bill that would have required the strategic petroleum reserve (SPR) to be drawn down in the event of an emergency. Congress plans to address the role of the SPR in upcoming hearings.

Administration develops plan to spur inner-city economy

An inner-city revitalization proposal being developed by the Reagan administration could add between $245 and $332.5 million to 25 targeted urban areas in 1984. Reagan plans to submit the urban enterprise zone proposal to Congress "for creation of enterprise zones as an experimental free-market program for dealing with some aspects of urban problems."

The major goals of the plan, developed in conjunction with the Department of Housing and Urban Development (HUD), are

- to create jobs in the nation's depressed areas, particularly jobs for disadvantaged workers
- to redevelop and revitalize the geographic zone areas themselves
- to stimulate new economic activity within the zones, not relocate businesses elsewhere
- to allow the market to decide which sort of businesses may be established in the zones, not stimulate any particular kinds of enterprises and
- to include a relatively balanced set of economic incentives for a wide range of business activity.

The underlying concept of enterprise zones is to create "a wide-open, free-market environment in depressed areas through relief from taxes, regulations and other government burdens," the White House said.

The White House was still working out final details of its program as this issue of *NRA News* went to press. The proposal was expected to be ready for introduction in Congress the first week of April. The following is a summary of the White House's proposal as pieced together from draft proposals and media reports.

Tax cuts and credits for businesses in zones . . .

The administration would accomplish its goal of revitalization primarily through a number of specific tax breaks designed to stimulate capital investment and the construction or rehabilitation of property. Tax credits, as outlined in a January 18 draft, include

- a three percent credit on property depreciable in three years
- a five percent credit on property depreciable in five years and
- a 10 percent credit for the construction or rehabilitation of commercial, industrial or rental buildings. Machinery and equipment for the credit must be used in the zone for all of its depreciable life.

Capital gains taxes would be abolished in zones, and firms would be allowed an operating loss carryover for 15 years or the life of the zone, which is 20 years with a four-year phaseout. The special investment tax credits would also be carried over.

Employers would receive a 50 percent wage credit on salaries to employees who are qualified for the Comprehensive Employment and Training Act (CETA) program and a 10 percent credit, up to $1,500, on wages paid to other employees. Individual zone employees are eligible for a wage credit up to $450 on their salaries. All of the wage credits are non-refundable and, with the exception of the $450 employee credit, can be carried over for 15 years or the life of the zone.

The draft plan also calls for giving federal agencies the authority to suspend regulations in the enterprise zones at the request of state or local governments in accordance with standards set by Congress.

Applications for the zone status would be accepted from states or cities and would be judged on the basis of additional state and local incentives to target business to the zone. Reductions in property, sales, income and other taxes plus an increase in municipal services, police and fire protection and other services would also be emphasized, the draft says.

The program would eventually permit HUD to designate up to 75 zones over three years at an estimated cost of $9 to $13 million a year per zone, depending on the amount of economic activity generated.

Congressional legislation introduced

on June 3, 1981, by Reps. Jack Kemp (R-NY) and Robert Garcia (D-NY) has attracted the most attention although there have been other bills proposed. The Kemp-Garcia bill gained initial approval from the administration and is the basis for the administration's proposal.

Under this bill, a specific area of at least 4,000 residents located within a site with high levels of poverty and unemployment may be designated as a zone. Various taxes are eliminated and credits given to businesses established in the zone. Many of the bill's provisions appear in the administration's proposal. A major difference, however, is that the Kemp-Garcia bill stipulates that businesses located in an enterprise zone must hire forty percent of their employees from among CETA-eligible workers in order to get tax credits.

Committee hearings. . .

The Senate Small Business Committee recently held hearings on influencing small business investment in enterprise zones.

A staff member of the committee told *NRA News* that the hearing was an important step in determining small business concerns regarding the zones. "Although our committee will not have legislative jurisdiction over the proposal, our members do have an interest in the outcome. Sen. Rudy Boschwitz (R-MN), who cosponsored the Kemp-Garcia bill in the Senate last year and chaired the committee hearings, is actively involved in negotiations with the White House on the zone proposal."

Virtually everyone who appeared before the committee perceived the lack of a provision for start-up capital to be the major omission in the enterprise zone concept and legislation. "I would have to agree most strongly with those who argue that any approach which relies almost exclusively on tax credits will have little or no effect on attracting most small business to enterprise zones," said G. Cheston Carey, president of a small machinery and supply company in Baltimore, MD.

Small businessmen are not overly impressed with capital gains or income tax relief because they make little or no taxable income, Cary said. What most concerns small businessmen is cheap or free seed capital, subsidies for cheap labor, cheap property, service amenities and facilities and relief from burdensome federal, state and local government paperwork, such as licenses, permits and reports, he said.

Paul Pryde, president of a Washington, DC, development consulting firm, said the principal determinants of small business formation and expansion consist of the quality of local government, the extent to which capital is available at reasonable cost and the cost and quality of the work force. "Taxes, particularly income taxes, rank relatively low on almost all lists of important barriers to business expansion," he said.

But with huge deficits on the horizon for the next two to three years, the chances of the Reagan administration providing businesses with money "up front" are slim, the committee staffer said. Giving up tax revenue in the form of credits and tax breaks is probably as much as can be expected in these times of government cutbacks, he noted.

NRA studying plan. . .

The NRA board of directors took up the issue of urban enterprise zones at its January meeting in San Antonio, TX. Though the issue was discussed at length, the board decided not to take a position on the subject, pending further developments in Washington.

IRS rules on targeted jobs tax credit

The Internal Revenue Service (IRS) has ruled that a state employment security agency (SESA) may not delegate its certification duties and responsibilities for targeted jobs tax credits (TJTC) to other state agencies. However, IRS states in Revenue Ruling 82-8 that an employment agency may solicit advice and assistance from other agencies in determining whether or not an individual is a member of a targeted group.

The ruling clears up the question as to whether understaffed SESA offices may delegate their certification responsibilities to other agencies. Because of budgetary problems and reductions in work force, SESAs have requested that other agencies be given the authority to certify TJTC applicants. IRS ruled that such delegation of authority is not provided for in the law, but it said that "a SESA may use the expertise of other agencies or organizations to provide the information necessary to assist it in performing its certification duties and responsibilities."

Background. . .

The TJTC allows employers who hire individuals certified to be members of one of nine targeted groups to claim a tax credit on wages paid the individuals. (See March *NRA News* for more details on the TJTC program.) For eight of the targeted groups, individuals can qualify as members only if they are certified by a designated local agency as meeting the specified requirements for that group. The only exception is youth participating in a qualified cooperative education program. For cooperative education students, the certification is done by the school participating in the program.

Prior to passage of the Economic Recovery Tax Act of 1981 (ERTA), the secretary of labor and the secretary of the treasury had joint authority to designate the agency to perform certification of employees in a particular locality. ERTA, though, amended the law to provide that the term "designated local agency" means a state employment security agency. Congress indicated that it was designating the SESA in each state as the agency responsible for administering the certification process.

DOL gets needed appropriations. . .

The Department of Labor (DOL), which administers the program, has informed its regional administrators of the IRS decision. DOL has also received badly needed funds from Congress to keep the SESAs in operation. Many of the offices would have had to close earlier this year if Congress had not passed an appropriations measure giving DOL over $2 billion, including $210 million earmarked for SESA offices.

DOL told *NRA News* that this new money should alleviate some of the problems NRA members have had with certification delays.

Summer tax credit for hiring teens proposed in the House

Four-term conservative Republican Rep. Bill Goodling from Pennsylvania's 19th District has introduced legislation (H.R. 5389) that would provide employers an 85 percent tax credit for hiring teens this summer. Known as the Emergency Youth Employment Tax Incentive Act, Goodling's bill is co-sponsored by Reps. Augustus F. Hawkins (D-CA) and James M. Jeffords (R-VT).

Goodling, a former school principal, is best known for his attempt at saving the school lunch program from President Reagan's budget cuts last year. He serves on the House Education and Labor Committee — where he takes an active interest in food and nutrition issues — and on the Foreign Affairs Committee. NRA News recently interviewed Rep. Goodling; his comments follow.

NRA: Would you please describe the specifics of your Emergency Youth Employment Incentive Act, and tell us what you hope it will accomplish.

Goodling: We all know there are a tremendous number of unemployed youth out there. With no jobs available for youth, we could be in for a very troubled summer. I believe the encouragement to the private sector made in my bill could be the most constructive thing that we do for our unemployed youth.

My tax incentive package addresses the high unemployment rate — reaching as high as 50 percent in some inner cities — of the country's youth by providing tax credits to qualifying employers who

1) hire a qualified youth between May 17 and Sept. 17, 1982
2) assure that the qualified youth works on a substantially full-time basis and
3) certify that the hired youth has not displaced any other individual from employment.

Building on the Targeted Jobs Tax Credit (TJTC) program, the bill's provisions cover 85 percent of the wages paid to a hired teen instead of the 50 percent tax credit currently in place.

To be hired under the provisions of my bill, the individual must be between the ages of 16 and 21, must begin work between May 17 and September 17 and must be certified by a designated local agency as being a member of an economically disadvantaged family. The bill would also allow that 15 percent of the young people hired by one employer need not be economically disadvantaged for the employer to qualify for the tax credit. Also, those participating in the program are exempt from personal income taxes, social security taxes and federal unemployment taxes.

Q: Why not provide a youth differential to the minimum wage as an incentive rather than a tax credit?

A: I was going to tackle the minimum wage in this program, too. But I knew that would be the one thing that would delay it to the point where we could never get anything done. We need to get this passed rather rapidly in the House and the Senate and signed by the President so that the Chamber of Commerce and other groups can really put pressure on the people they represent to employ teens.

Rep. Bill Goodling (R-PA)

Q: What has the reaction to your bill been on Capitol Hill and at the White House?

A: We have not sought any reaction from the White House at this point, but we have gotten a good response from the Hill. Now we need to get the Ways and Means Committee moving, but at the present time, I don't believe they are moving on any kind of tax legislation. The program comes under that committee's jurisdiction since it involves tax matters.

One of the problems is that Ways and Means can't get a fix on what it would cost the U.S. Treasury for such a program. But I say no matter what it costs, it's a cheap investment.

The important thing about this legislation is that it calls for action this summer. When you talk about the President's tax program or the Kemp-Garcia approach to unemployment (urban enterprise zones), those are things that are down the road. They are not going to help us much this summer, and it's this summer that I'm especially concerned about.

Q: How do you think Republicans will fare at the polls in November?

A: The prospects are dim unless there is a turn-around in the economy. The public is very impatient; they expect immediate cures. I'm not so optimistic as I was six months ago. There was a time when I saw great hopes for the Republican party as far as November was concerned. Now we need a pretty good turn-around before the first of October for that to happen.

And it may not just be Republicans who are affected by the recession. It may affect all incumbents. The sad thing is that if there are dramatic changes at the polls in the other direction, it will probably signal a return to the same old business of public-service jobs and big government spending.

THE BOARD ROOM

Conti testifies before Senate on travel and tourism

Travel and tourism is now the third largest industry in the United States and could very well become the largest by the end of this century. In 1981, domestic and foreign travelers spent over $180 billion in America, and the travel and tourism industry contributed approximately seven percent to the gross national product (GNP).

Foodservice, the largest sector of the industry exclusive of transportation, accounts for one-quarter of the consumer's travel budget, provides the largest number of jobs and is one of the largest earners of receipts in the tourism industry.

NRA Chairman Walter Conti, armed with these facts, testified before a Senate Commerce Subcommittee on the importance of tourism in foodservice. The subcommittee hearings were called to review the impact of travel and tourism on the U.S. economy.

NRA Chairman Walter Conti testifies before Senate.

The impact of tourism on foodservice...

"More than one-third of total foodservice industry sales are directly related to travel and tourism in the United states," Conti told the subcommittee. "In 1980, travel-related food expenditures totaled $43.5 billion. Ninety percent of the traveler's food budget, or $39.1 billion, was spent in restaurants, accounting for approximately 34 percent of total foodservice industry sales."

"It is clear that whether we're talking about a coffee shop breakfast, an airline luncheon, or a 10-course dinner on a cruise ship, the foodservice industry is providing an essential service to the traveler, who, in return, handsomely contributes to the sales and, thereby, the growth of the industry," Conti said.

"Most important," Conti added, "the traveler's food dollar helps to stimulate employment within the foodservice industry. Foodservice travel expenditures for 1980 — both foreign and domestic — roughly translate into 1.9 million jobs. Many of these jobs were part-time positions most often filled by young people. These are direct foodservice occupations, such as waiters, cooks and counter workers, which provide many youths with their first real work experience.

"In fact, the foodservice industry's employment profile shows that 24 percent of those working in foodservice occupations are teens, and I'm certain that I don't have to elaborate on the benefits to our economy as a result of this boost to youth employment," he told subcommittee members.

Conti noted, too, that "our friends in the hotel and lodging industry, many of whom have foodservice operations in their establishments, are also a large and dynamic force in the travel and tourism industry. In 1980, the hotel and lodging industry received $23.5 billion, or 14.6 percent, of total traveler expenditures. Food and lodging together totaled nearly 40 percent of the domestic and international traveler's expenses."

McCoy notes quirks in travel and tourism records...

Despite the glowing record for travel and tourism sales and growth, Under Secretary for Travel and Tourism Peter McCoy told the Senate panel that 1981 "was a year of paradox and mixed results for the travel industry."

He noted that "domestically, tourism receipts and the number of trips were up, but much of the growth in receipts was attributable to inflation" and that "vacation trips rose, but convention-related travel declined."

"In short, the travel industry in 1981 was an economic sector buffeted by the forces of inflation, recession, deregulation of the airline and motorcoach industries and the lingering effects of the air traffic controllers' strike."

However, McCoy said that international tourism receipts rose roughly 15

percent to $11.7 billion last year. "This was an all-time record and marked the first time that U.S. international tourism receipts equaled U.S. international tourism payments to other countries." McCoy said that 1981 was also the ninth straight year in which real growth in tourism receipts outpaced real growth in tourism expenditures.

McCoy said he was troubled, though, by the fact that the U.S. share of the world's tourism receipts has been eroding since 1976 and has remained below the 11-percent mark since 1978. On the other hand, he said, "No country in the world earns more from international tourism than the United States," and "U.S. receipts from international tourism are growing faster than U.S. export earnings as a whole."

Putting tourism on a year-round basis...

McCoy said that efforts should be made to put tourism on a more year-round basis. He noted that many motels and resort areas operate below capacity for three-quarters of the year, and as a result there is seasonal unemployment and "unfulfilled potential, lost opportunity and unrealized economic benefit.

"The basic source of the problem is that the bulk of this country's vacation travel is based on school vacation schedules, and most schools observe a three-month summer vacation," McCoy said. He pointed to programs developed in Europe to deal with this problem. In Germany, he said, officials have spread tourism demand. State schools in Germany have staggered vacation schedules so that not all school children take a vacation at the same time.

"I do not propose a nationwide system of rigid and arbitrary school vacation periods for the U.S. But I do think the time has come to focus attention on the independent schedule decisions of millions of school districts."

Future demographic and population trends...

Looking to the future, McCoy said the travel and tourism industry will be affected by the general aging of the American population. Retired Americans, with the advent of the new IRA accounts, could be expected to contribute more to travel and tourism receipts, he said.

McCoy predicted that employee vacation benefits will be liberalized in the future because generally workers want more leisure time. "Given economic prosperity between now and the end of the century, I think we can expect average paid vacation time to increase from two weeks to four weeks, and, if this occurs, demand for travel should expand accordingly."

Conti asks senators to look closely at USTTA budget...

In response to the administration's proposal to cut USTTA's budget from $7.6 million to $5 million, NRA Chairman Conti said, "NRA wholeheartedly supports strong federal and local government involvement in the promotion of tourism, and we urge you when considering the fiscal 1983 budget proposal for the U.S. Travel and Tourism Administration to examine closely and weigh the need to reduce federal spending against the certain economic returns which would result from a well-formulated and coordinated national tourism policy.

"The opportunity exists through the newly created USTTA to coordinate, promote and take full economic advantage of this demonstrated-growth industry," explained Conti to the senators.

NRA Board Member Victor Impeciato of Vittorio's in Atlanta, GA.

Board member guides university curriculum

In January, NRA board member Victor J. Impeciato saw the Board of Regents of Georgia State University (GSU) approve the expansion of that institution's hotel, restaurant and travel administration program (HRTA). Impeciato, chairman of the GSU program's advisory council for the past three years, has been instrumental in guiding curriculum development and implementation. Prior to the regents' decision, GSU offered only a two-year program of study which led to an associate degree. However, the expanded course of study will now lead to a bachelor's degree with majors in each of the three areas.

According to Impeciato, last year the hospitality industry contributed $6.8 billion to Georgia's economy, making it the Peach State's second largest industry. "I fully expect GSU's program to emerge as one of the major hospitality schools in the country," Impeciato said, noting the school is ideally located in the nation's third largest convention center.

"Atlanta provides students with a natural laboratory, and the program will undoubtedly continue to enjoy strong industry support. Many of our students already hold part-time jobs in the industry. Corporations in the area have given strong scholarship support, and individuals in the hospitality industry are constantly making contributions in the classroom as resource personnel for HRTA faculty," Impeciato noted.

The regents' decision will allow 50 new program majors to enroll in the next six months, bringing total enrollment up to 175. HRTA Program Director Patti Shock says she expects the program to be further upgraded into a full-fledged school in GSU's College of Public and Urban Affairs within the next few months.

Individuals interested in making applications to enter HRTA should address their inquiries to Patti Shock, Hotel, Restaurant and Travel Administration, Georgia State University, Atlanta, GA 30303.

63rd Annual Restaurant, Hotel-Motel Show • Chicago, Illinois, May 22-26, 1982

Showtime Update

No questions left unanswered

Is bigger really better — the bigger the better et alas?. . .

That's simple — interaction and exchange of ideas generate more solutions than meditation ever will. The more industry representatives and suppliers that convene at the NRA Show — the greater the opportunities to find out what is happening in the industry. This is particularly true in a business as diverse as foodservice.

We'll prove it to you. . .

Play a game with yourself or better yet, organize the group you are with at the Show. See if you can find a question — any question — about the industry that cannot be answered by someone at the convention during the five days — sort of a scavenger hunt for ideas and concepts.

Your sources are almost limitless. Besides the over 32,000 other foodservice individuals, there will be 6,100 product displays, a total of over 80,000 individuals. It's very unlikely that the hunt will be fruitless.

But where to begin?. . .

You will have five days for your hunt with a list of possible sources that may make you weary — 48 scheduled programs with guest speakers from all segments of the business world, 12 NRA seminar programs, 1,200 exhibits — more than 240 are new this year — the Almost Perfect Kitchen, Hot Food Competition — and there is more, take a look at the schedule of programs.

Like any good hunter you'd better plan how you're going to make the catch. Working out your schedule before you even arrive at the Show never hurts — particularly if this will be your first Show.

The *Showtime Update* will give you some ideas and maybe a few clues to head you in the right direction for your idea hunt.

If your question proves unanswerable, though we doubt it will, *NRA News* would like to know. Stop by the NRA membership booth and fill out an "unanswerable card." We'll try to find the answers to your questions and publish them in the post-convention issue of *NRA News*. If we can't find a response, we'll give it to the *NRA News* readers to answer.

Paul Harvey, the nation's only one-man network, will open NRA 1982 Show

From editorial to news, Paul Harvey's comments will hold your attention at the 1982 Show opening. What makes him so popular? He's the nation's largest one-man news network — broadcasting to 800 radio stations, 400 armed services stations and 100 television stations. His syndicated column appears in 300 newspapers.

Paul Harvey

He's got a handle on the facts with an editorial angle that will make any reader or listener sit up and think. Whether you agree with him or not, his popularity is testimony that America cares about what he has to say. Harvey appears in person before approximately one million people a year.

Don't miss Paul Harvey at NRA's Opening Day Program Sunday, May 23, 2 p.m. in McCormick Place's Arie Crown Theatre.

Don't forget your saddle shoes

Come see your rock & roll heroes in person. Dance to the music of Danny and the Juniors, as well as the Coasters and the 1950's million-seller musical favorites. Experience the 50s all over again as you jitterbug yourself into nostalgia of the good ole days. Admission is free, just present your Show badge at the door. Don't forget your saddle shoes and poodle skirts, Sunday, May 23, 9:00 p.m. – 1:00 a.m. at the Grand Ballroom, Hyatt Regency, Chicago.

NRA Banquet will stop the stars

The rest of Chicago may as well close up on the evening of the NRA's Grand Banquet and Show, Tuesday, May 24 at 7:00 p.m. Nothing in town will compare to our line up of stars and culinary specialities.

Whether you are there for the entertainment or the lavish meal, we've got everything you dreamed of and even a few palate refreshers on the side.

Comedian Flip Wilson and one of NBC's Tonight Show stars, Doc Severinson, have put together a show you won't soon forget. Chefs at the Chicago Marriott will undoubtedly bill this banquet as their meal of the year.

Reserve your tickets now from Philip Kralovec at the NRA office in Chicago.

Doc Severinsen

Comparative shopping — nowhere like at the NRA Show

What's the best part of the whole NRA Show? That's a hard one. Ask 100 people, get 100 answers. But one thing that everyone will agree on is the tremendous opportunity the Show provides to sample and test new products.

The NRA Show is the largest annual display of foodservice products in the world! That's right, the entire world. Where else can you find over 20 acres of exhibit area with representatives of more than 6,100 products ready and waiting to answer your questions and show you the latest items? Nowhere! Nowhere, but the NRA Chicago Show.

If you're in the market for bar equipment, there are 37 different companies from all over the country on hand to talk to you about your individual situation. Forty-one companies are there to discuss refrigeration equipment. There are even four companies to tell you all about scouring pads. Can you imagine how long it would take you and how much it would cost just to visit 41 different companies or talk to 41 representatives coming in and out of your establishment? Here, all under one roof, is an excellent opportunity for comparative shopping and it all can be done in a matter of days. With 6,000 products represented — from aprons to barbeque machines to cash registers to vending machines to work tables — there has to be something for everyone. If this is the year for you to buy china, uniform emblems, furniture, dishwashers, mirrors or any of 995 product categories you might never have an opportunity like the 63rd Annual NRA Restaurant Hotel-Motel Show.

See you there!

~What's happening while you're in Chicago~

The NRA Show will more than occupy all of your time. However, your family may want to see the city of Chicago while you're busy at McCormick Place. Remember, no one under 16 is allowed into the Show, but children can have a wonderful time exploring the many delights Chicago has to offer.

Interior of the Field Museum of Natural History.

Tours that provide an inside view . . .

- **Chicago Tribune Tours** — 75-minute tours of the Chicago Tribune production facilities including a film. Monday through Friday, 9:30 a.m., 11:00 a.m., 1:15 p.m. and 2:45 p.m. Reservations required, admission free, (312) 222-3993.
- **Merchandise Mart tours** — Walk the halls lined with display rooms and listen to brief lectures on how buying is done in several show houses. The 90-minute tours are conducted Thursdays at 10:00 a.m. and 1:30 p.m., reservations accepted, admission $3.75, (312) 661-1440.
- **Art Safari** — A two-hour tour of four to five prominent Chicago galleries with a knowledgable guide. Regularly scheduled tours start at 10:30 a.m. Saturdays at Chelsea Restaurant in the Westin Hotel. Reservations must be made one day in advance. Groups can arrange special tours any day of the week. Admission $15 which includes continental breakfast, (312) 328-4377.
- **Archi Center** — A walking tour of the Chicago Loop with narration about architecture in Chicago and the development of the skyscraper. Monday through Thursday at 1:00 p.m., Saturday and Sunday at 2:00 p.m. Located at 330 South Dearborn, admission $3.00, (312) 782-1776.
- **Chinatown** — Group walking tours of Chicago's Chinatown, Monday through Friday. Visit two churches and the Chinese Community Center. Fee: $15, (312) 225-0234.

Amuse yourself at a museum . . .

- **Field Museum of Natural History** — Roosevelt Road at Lake Shore Drive. Open 9:00 a.m.-6:00 p.m. daily, Friday, 9:00 to 9:00 p.m., admission $2.00, Friday — free, (312) 922-9410.
- **Museum of Science and Industry** — 57th and Lake Shore Drive. Hundreds of science exhibits with visitor participation. Open 9:30 a.m.-4:00 p.m. Monday through Friday, 9:30 a.m.-5:30 p.m. Saturdays, Sundays and holidays, (312) 684-1414, admission free.
- **The Adler Planetarium** — Moons and rings, a one-hour sky show. Monday through Thursday at 2:00 p.m., Fridays at 2:00 p.m. and 8:00 p.m., Saturdays, Sundays and holidays at 11:00 a.m., 1:00 p.m., 2:00 p.m., 3:00 p.m. and 4:00 p.m., admission: no children under six, children 6 to 17 years old, $1.00, adults, $2.00.

Shopping, Shopping, Shopping . . .

- **Water Tower Shopping Mall** — This famed mall houses 120 speciality shops including Marshall Field and Lord and Taylor, as well as restaurants and a movie theater. Shopping hours are Monday and Thursday, 10:00 a.m. to 7:00 p.m., Tuesday, Wednesday, Friday and Saturday 10:00 a.m. to 6:00 p.m. and Sunday noon to 5:00 p.m. (312) 440-3460.

A Gallery of Art . . .

- **Art Institute of Chicago** — Michigan Avenue at Adams. Open 9:30 a.m. to 4:00 p.m. Monday through Friday, Thursdays 10:30 a.m. to 8:00 p.m., Saturday 10:00 a.m. to 5:00 p.m., Sunday noon to 5:00 p.m., admission, $3.00, (312) 443-3600.
- **Contemporary Art Museum** — 237 East Ontario Street. Admission $2.00, free on Tuesdays, (312) 280-2660.

A day at the theater . . .

- **Arie Crown Theater** — "The King and I" with Yul Brynner at McCormick Place. Dates and times to be announced. Call for reservations, (312) 791-6000.
- **Second City** — Original comedy revues at 1616 North Wells. Admission $6.00 and $7.00, reservations necessary, (312) 337-3992.

Watertower Place — the tall white building to the left center.

Other entertainment avenues . . .

- **Visitors' Eventline** — a phone recording of happenings in the Chicago area as compiled by the Chicago Convention and Tourism Bureau, (312) 225-2323.
- **Hot Tix** — Obtain same-day theater tickets at half price, (312) 977-1755.
- **Cultural Arts Information** — dial (312) F-I-N-E-A-R-T.

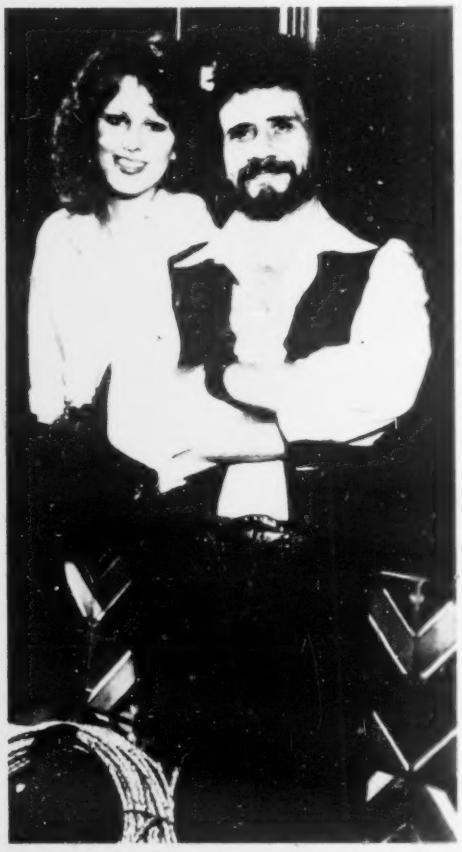
We hope you have the time of your life in the wonderful, windy city of Chicago.

The red-carpet is ready and waiting for you

We're excited! You're coming to NRA's 63rd Annual Restaurant Hotel-Motel Show, and we just can't wait to see you. And to prove it, here's how we're rolling out the red carpet to make your stay as convenient and as enjoyable as possible.

- Complimentary bus service — We've hired a fleet of 100 buses driven by the friendliest bus drivers in all of Chicago, to take you from hotel to show site from 8:30 a.m.–7:00 p.m. at convenient 15-minute intervals.
- No room rate increases at 22 major hotels — NRA has charmed 22 hotels into offering the same rates as last year. That's right, no increase even in these inflationary times!
- Special air fare savings — Delta and American airlines are offering a special savings on all their flights to and from Chicago during NRA Show time. Call early for details. American 800-433-1790, Delta 800-241-6760.

Come on to Chicago and see the Show. You'll have a real good time. Chicago is everybody's kind of town.



Country and Western stars West and Frizzell.

Country and Western hit Chicago

Where can you do the Texas two-step north of the Mason-Dixon line? Well, just so you southerners don't get home sick, we're bringing Country and Western to the NRA Show, Monday, May 24. The 1981 Country and Western duo of the Year, David Frizzell and Shelly West will get your feet stomping along with the unforgettable harmonies and percussion of John Frigo and his Country Hit Men. Ladies, bring your lassoes; men, don't forget your cowboy boots. Mosey on down to the Grand Ballroom of the Chicago Marriott, Monday, May 24, 9:00 p.m.–1:00 a.m. Bring your NRA Show badge for free admission.

Special event, social and evening schedule

Sunday, May 23

8:00 a.m.
The Main Course (10k footrace)
The run will start out at the Chicago Art Institute, Columbus Drive and Monroe Street. (Advance registration required.)

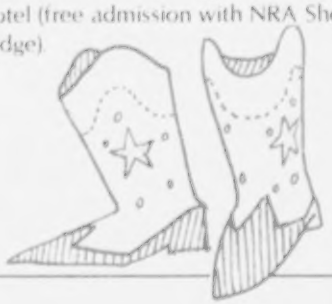
2:00 p.m. - 3:00 p.m.
Opening Day Program
Featuring Paul Harvey, Walter Conti and the Phantom Regiment in Arie Crown Theatre, McCormick Place (free admission).

9:00 p.m. - 1:00 a.m.
Conventional Capers — those fabulous 50's with Danny and the Juniors and The Coasters in person
Grand Ballroom, Hyatt Regency Chicago (free admission with NRA Show badge).

Monday, May 24

2:00 p.m. - 3:00 p.m.
NRA membership meeting
George F. Will
Lindheimer room — McCormick Place

9:00 p.m. - 1:00 a.m.
Convention Capers — NRA Country and Western Night with David Frizzell and Shelly West as well as John Frigo and his Country Hit Men
Grand Ballroom, Chicago Marriott Hotel (free admission with NRA Show badge).



Tuesday, May 25

7:00 p.m.
NRA Grand Banquet
Doc Severinsen in concert, special guest star Flip Wilson
Grand Ballroom, Chicago Marriott Hotel (ticketed affair).

Follow NRA Show news on close-circuit television

Tune in to "NRA TV Today!" for a close-circuit update on Show news and activities.

NRA TV Today will be connected by cable to the 18 major Loop hotels — about 14,000 television sets.

When you get up in the morning or back to the hotel after a day on the expo floor, switch on NRA TV Today. You'll find a schedule of the air times on top of your hotel television.

NRA TV Today will be hosted by three top-flight anchor persons, each with impressive television credentials on both national and regional programs. Their task will be blend together all the ingredients and report the activities of the NRA Show as they occur in the form of short, colorful news features and editorials. Don't miss it, NRA News Today!

Pulitzer prize winner, George Will, scheduled for NRA membership meeting

George Will

"Clear thinking and good government depend on drawing reasonable distinctions. We are much in need of criteria for distinguishing between those rights that should be uniform, and hence national responsibilities and other rights and benefits that should be within the sphere of state discretion and experimention," exponded George Will in one of his biweekly columns in *Newsweek*. This article was, of course, on the hot issue of New Federalism.

Will, a highly acclaimed journalist and a 1977 Pulitzer prize winner, is scheduled to talk at NRA's membership meeting on Monday, May 22 at 2:00 p.m. In his syndicated *Washington Post* column, as well as in *Newsweek*, Will is able to put his fingers on the often overlooked dilemmas created by the great problemsolvers of our times. On New Federalism — a prospect that state legislators are looking over with great concern — Will explains the Internal Revenue Service should also be hesitant: "High state and local taxes might be less responsive to . . . economic growth than federal taxes are. Furthermore, state and local taxes are deductible from federal taxes, so increases in state and local taxes come at the expense of federal revenues."

Why all the hullabaloo over New Federalism? If states are forced to increase their revenue because of the holes left from reduced federal aid to state and local coffers, expanding restaurant taxes may be a prime target.

Plan to sit back and absorb — George Will's presentation is sure to be current, informative and necessary for every restaurateur who wants to keep up with where our nation is headed. Will has his finger on the economic, political and social forces of this nation. Don't miss him, Monday, 2:00 p.m., in the Lindheimer Room at McCormick Place.

Supervisors show thumbs up on the jobs

Find out how foodservice supervisors and former supervisors feel about paperwork, pressure and working conditions, as John Bilon and D. Jackson Ramsey review the results of their nationwide survey of supervisory management practices.

Their report conflicts with other recent reports on job satisfaction in the foodservice industry. Find out why on Monday, May 24, 10:30 a.m.–12:00 noon. The answers may surprise you.

Culinary salon — a wonderland of food displays

Join us behind the looking glass at the 1982 NRA Show Culinary Arts Salon. Alice herself would not believe the incredible food displays being prepared for this year's Cold Food Competition.

Over 200 chefs, apprentices and students will participate in this year's salon under the guidance and approval of the American Culinary Federation. Well-known chefs from around the world will judge winners in seven categories, including: Grand Prize of the Entire Show, Grand Prize — Pastry Display, Best of the Show, Most Original Piece of the Show, Judges' Special Award and Best Entry from a Junior Culinarian.

See you behind the looking glass May 23–24, on the Concourse level of the exhibit floor.

Near NRA headquarters in Washington, DC, association staff gets ready for the Main Course footrace at the NRA Show.

How to update your food and beverage operations

Charles Levinson, a restaurateur for 25 years, professor at University of Nevada, Las Vegas and author of *Food and Beverage Operation*, will tackle the techniques of money-saving operations in every phase of the hospitality business at NRA's Management Clinic.

Levinson explained, foodservice operators are using antiquated methods for daily cost controls. His seminar is geared to bring your accounting practices up-to-date with the 1980s.

Levinson will show you how to restructure your menu prices to improve gross profits. He will consider questions, such as "Have you included actual gross percentages in calculating your labor costs?"

Control Your Costs — Tuesday, May 25, 1982, 10:30 a.m.–12 noon, third level of McCormick Place.

Get warmed up for the second annual Main Course race

On your mark. . . . There's more to see at the 1982 Show than you'll ever be able to fit into your schedule. But just to get you going as a fast pace, we're starting off the Show with a 10 kilometer (6.2 mile) footrace through downtown Chicago. The second annual Main Course race will begin Sunday, May 23 at 8:00 a.m. at the Chicago Art Institute. Advanced registration is required (2,000 limit). Contact NRA's convention department in Chicago.

Over 1,000 attendees and exhibitors competed in last year's race. The entry fee — $5.95 — will be donated to the American Cancer Society. Don't forget your jogging shoes — you'll need them for the Show even if you don't run in the Main Course.

Seminars to increase your profits

The NRA seminar department's educational showcase is presenting 12 one, one-and-one-half and two-day seminars at the NRA 1982 Show. During the two days of programs, NRA will present in-depth and comprehensive seminars, which will go beyond the basics to provide the experienced industry professional with updated information and solid background on industry trends and problem areas.

Registration/check-in for all 12 seminars will begin at 8:00 a.m., Saturday, May 22, on the lobby level. Look for signs to management clinics. Seminars begin at 9:00 a.m., Saturday, and conclude at 5:00 p.m. The one-and-one-half-day seminar will reconvene on Sunday, May 23 at 9:00 a.m. to 12:00 noon; the two-day seminars reconvene on Sunday May 23 at 9:00 a.m. to 5:00 p.m.

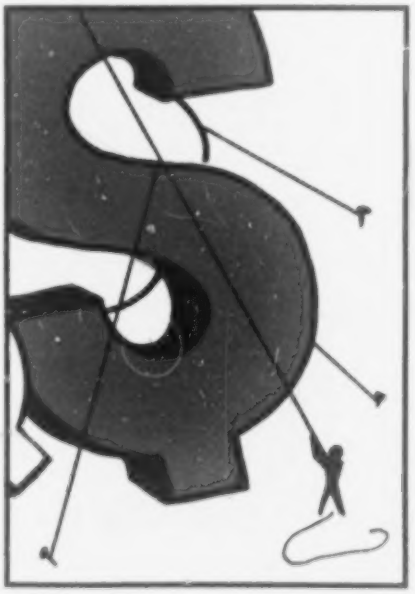
Seminar registration fees are reduced 25 percent of the total cost if three or more employees from the same company attend any of the seminars. Fees for one and one-and-one-half-day seminars cover costs for all instruction material, refreshment breaks and one luncheon. The fee for two-day seminars covers costs for all instructional material, refreshment breaks and two luncheons.

Attendance will be limited so you are urged to register early to ensure your place.

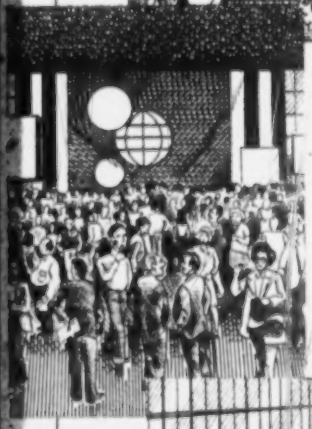
The following seminars will be offered

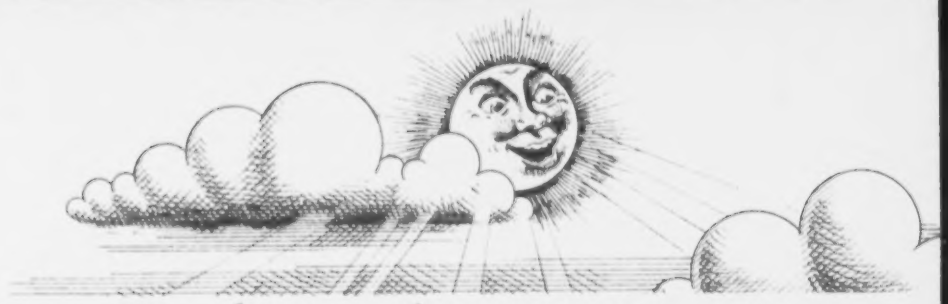
during the Show

- **Computers** — one day — Saturday, May 22 — recommended for anyone who is buying equipment for the first time, planning systems for a new operation or considering replacement of current equipment. The seminar will cover systems for fast food, table service and bars. *Fee: $135 NRA members and $150 non-members.*
- **Budgeting and Profit Planning** — one day — Saturday, May 22 — designed for non-accountant managers who are involved in the budgeting process. The seminar will improve budgeting skills and help you use your budget more effectively for planning and control. *Fee: $135 NRA members and $150 for non-members.*
- **Controlling Food Cost** — one day — Saturday, May 22 — this seminar uses a practical, how-to approach to help you identify the critical cost-control areas in your operation, and give you effective tools for cleaning up and preventing profit drain. *Fee: $135 NRA members and $150 for non-members.*
- **Menu Development** — one day — Saturday, May 22 — this seminar will give you information, new ideas and proven strategies to develop a winning menu. Price, selection, layout and other details are discussed. *Fee: $135 NRA members and $150 non-members.*
- **How to Turn Your Restaurant Business into a Private Tax Shelter** — one and one-half days — Saturday May 22, and one-half day, Sunday, May 23 — this seminar provides in-depth, practical information on tax planning. You should attend if you are in a high income or estate tax bracket, you intend to transfer control of your busines to the next generation, your business is growing in volume or number of units, or your restaurant is the most valuable asset in your estate. *Fee: $195 NRA members and $250 non-members.*
- **Hiring Hourly Employees/Performance Review** — two days — Saturday, May 22 and Sunday, May 23 — the first day you will learn just how simple and effective good hiring can be. The second day will show you techniques to develop more motivated employees and deal with the problem performers both fairly and effectively. The seminar is designed for managers who wish to increase staff productivity, but who have no formal training in personnel and hiring, also a good refresher course for personnel and training directors. *Fee: $195 NRA members and $250 non-members.*



- **Operational Analysis** — two days — Saturday, May 22 and Sunday, May 23 — provides specific, in-depth procedures to help you see your business more clearly, identify areas for significant profit improvement and analyze the effectiveness of your control systems. This seminar is designed primarily for owners and general managers and officers with multi-unit responsibility. *Fee: $295 NRA members and $325 non-members.*
- **Off-Premise Catering** — two days — Saturday, May 22 and Sunday, May 23 — this seminar offers a complete guide to success and profits through off-premise catering. You will learn everything you need to know to pull off customer-pleasing parties and make money while doing it — from sales to costing to menu development and more. *Fee: $295 NRA members and $325 non-members.*
- **Real Estate and Site Selection** — two days — Saturday, May 22 and Sunday, May 23 — this program is a must if you are involved with opening new units or considering expansion. This step-by-step site selection method presented will work equally well for independently-owned restaurants and multi-unit companies and for any type of restaurant from full-menu table service to limited-menu fast food. *Fee: $295 NRA members and $325 non-members.*
- **Restaurant Design and Facilities Planning** — two days — Saturday, May 22 and Sunday, May 23 — this seminar is a must if you are involved with any kind of restaurant design project — remodeling, expansion, or new unit. This will give you the background you need to understand and control your project to avoid costly mistakes. Bring your plans, blueprints and project information for individual evaluation. *Attendance limited to 50. Fee: $350 NRA members and $400 non-members.*
- **Marketing for Profit** — two days — Saturday, May 22 and Sunday, May 23 — you will learn techniques that will enable you to increase customer counts, develop a satisfied repeat trade, increase check average, minimize the risk involved in opening new units or expanding an existing operation, forecast the impact of changes in your menu, prices, decor or concept, anticipate and resolve problems that threaten sales, growth or profit. *Fee: $295 NRA members and $325 non-members.*
- **Management Recruitment and Selection** — two days — Saturday, May 22 and Sunday, May 23 — this seminar provides a practical, step-by-step approach to the "art and science" of obtaining top-notch management talent. This is a must if you are an owner, executive or division head without formal personnel training. Also recommended as a refresher and update for personnel professionals. *Fee: $295 NRA members and $325 non-members.*





Schedule of seminars, mee

Saturday, May 22

10:30 a.m. - 5:00 p.m.
Dealer/supplier/press preview

8:00 a.m.
Registration for one and two-day seminars

9:00 a.m. - 5:00 p.m.
Seminars with one hour lunch break

One-day seminars
- How to Evaluate and Select Computers
- Budget and Profit for Restaurant Operators
- Controlling Food Costs
- Menu Development

First day of two-day seminars
Continued on Sunday, May 23
- Operations Analysis
- Real Estate and Site Selection
- Restaurant Design/Facilities Planning
- Marketing for Profit
- How to Turn Your Restaurant Business into a Private Tax Shelter, *1½ days*
- Management Recruiting and Selection
- Hiring Hourly Employees
- Off-Premise Catering

2:00 p.m. - 5:00 p.m.
Members with NRA badge allowed on floor

4:00 p.m. - 8:00 p.m.
NRA TV Today! Tune in on your hotel TV

Sunday, May 23

7:00 a.m. - 11:00 a.m.
NRA TV Today! Tune in on your hotel TV

9:30 a.m. - 5:00 p.m.
Exhibit floor open

9:30 a.m. - 5:00 p.m.
Culinary Art Salon

9:00 a.m. - 5:00 p.m.
Seminars with one hour lunch break
Second day of two-day seminars
- Operations Analysis
- Real Estate and Site Selection
- Restaurant Design/Facilities Planning
- Marketing for Profit
- How to Turn Your Restaurant Business into a Private Tax Shelter, *ends at 12:00 noon*
- Management Recruiting and Selection
- Hiring Hourly Employees
- Off-Premise Catering

2:00 p.m.
Show Opening Day Program with Paul Harvey, Walter Conti and The Phantom Regiment

4:00 p.m. - 7:00 p.m.
NRA TV Today! Tune in on your hotel TV

Monday, May 24

7:00 a.m. - 10:00 a.m.
NRA TV Today! Tune in on your hotel TV

9:30 a.m. - 5:00 p.m.
Exhibit floor open

Twelfth Annual NRA Culinary Salon and Hot Food Competition

10:30 a.m. - 12:00 noon
The NRA Management Clinic
- Managing Labor Costs Part I — Ted Thelander and panel
- Your People and Drug Abuse — Dr. Baker Bokorney
- Supervisory Attitudes in Drug Abuse — John Bilon and Dr. Jackson Ramsey
- Successful Wine Merchandising by the Bottle — panel
- Lew Forrest on Task Analysis

The NRA theater series for 1982
- John Callaway — Fast Food Marketing Symposium

ings and special programs

- Kim Woods — "What You Are Isn't Necessarily What You Will Be"
- Herb Cohen — "You Can Negotiate Anything"

NRA Exclusive
- Parkinson's Laws — C. Northcote Parkinson

2:00 p.m. - 3:30 p.m.
NRA membership meeting with George Will

The NRA Management Clinic
- Managing Labor Costs Part II — Ted Thelander and panel
- Food Purchasing in Today's Economy — Dr. Lendal Kotschevar
- School Foodservice Shop Talk — Pat Bayer and panel
- Student-Industry Idea Exchange
- Seafood Consumption in Restaurants, results of research — Lee Weddig

4:00 a.m. - 7:00 p.m.
NRA TV Today! Tune in on your hotel TV

Tuesday, May 25

7:00 a.m. - 10:00 a.m.
NRA TV Today! Tune in on your hotel TV

9:30 a.m. - 5:00 p.m.
Exhibit floor open

NRA Culinary Hot Food Competition

10:30 a.m. - 12:00 noon
The NRA Management Clinic
- Wareham on Hiring and Firing — John Wareham
- Essential Insurance Coverage — Hank Laskin
- How to Update Your Food and Beverage Operation — Charles Levinson
- "Coffee Shops and ..." — A Panel Shop Talk
- The Legal Eagle Speaks — Clyde Griffith

The NRA Theater Series for 1982
- Art Holst, Part I — "How to Solve Your 3rd Down, 4-to-Go Problems"
- Parkinson on Hospitality — C. Northcote Parkinson

2:00 p.m. - 3:00 p.m.
The NRA Management Clinic
- Wareham on Hiring and Firing Part II
- When the Bloom is off the Rose — panel presentation
- Let There be Light! — Frank Lagiusa
- Business and Industry Foodservice Shop Talk — Philip Cooke
- Special Wine Program — David Armanasco
- Women Networking in Foodservice — panel discussion

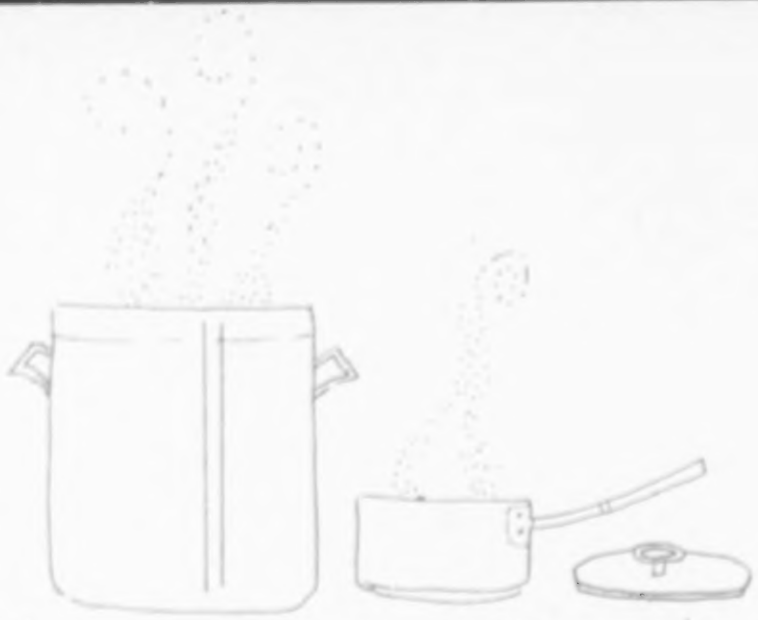
The NRA Theater series for 1982
- George Lang — Travel and Leisure Columnist
- Art Holst, Part II, "How to Solve Your 3rd Down, 4-to-Go Problems"
- Dining Out — Chicago Style — Audiovisual presentation and restaurant operators panel, moderator Jane Lueloff

Wednesday, May 26

9:30 a.m. - 3:00 p.m.
Exhibit floor open

10:30 a.m. - 12:00 noon
The NRA Management Clinic
- Triple Play for Trainers — Series of three programs on training

The NRA Theater Series for 1982
- The First Annual NRA Saloon — Keeping Shop Talk — Michael O'Neal moderates panel
- Round and Round Again with Michael Hurst and Don Smith



Chefs prepare for first Hot Food Competition

Chefs from across the country will put NRA's Almost Perfect Kitchen to the test as they compete at the 1982 Show in the first Hot Food Competition approved by the American Culinary Federation.

"This competition will be unique," according to Ted Balestreri, chairman of the NRA Show. "Traditional competition has been in the fancy work of cold food preparation. But, this competition will judge hot food entries only."

"For this reason, we plan to see a lot of new faces and ideas. Chefs who have previously not taken part in the culinary olympics or other traditional rivalries, because they are not interested in the cold food culinary art, are gearing up for this competition," explained Balestreri.

After you have watched chefs preparing their entries, walk around the corner where judges will be testing. Chicago restaurants are providing table set ups for judges at the competition. Gathered in one location, you will see actual set ups from some of Chicago's finest restaurants.

You can negotiate anything

The best-selling author of "You Can Negotiate Anything" demonstrates how power, time and information are crucial in solving conflicts anytime, anywhere. Learn how to deal effectively and get what you want from your boss, your employees, your wife, your husband, your friends and, most important, the auto mechanic. Herb Cohen's powerful performance will convince you that you can win them all! Monday, May 24, 10:30 a.m.–12:00 noon.

Luncheon to honor Hennessy award winners

"You're in the Army now, you're in the Army now. . . ." One of the things recruits used to dread the most about military life was the food. Well, that's not true anymore. Military kitchens have made a big turn around in the last decade.

NRA even honors Air Force food facilities for their excellence with the John L. Hennessy award. This award will be presented for the 26th year by NRA at the Chicago Marriott Hotel on Saturday, May 22, at 11:30 a.m. The two Hennessy winners — single unit and multiple unit — were notified this month.

The 1982 evaluation team for the Hennessy award includes NRA Director Michael O'Neal, The Ginger Man Group, New York, NY; NRA Past President Martin L. Horn, Jr., The Horn Family Restaurants, West Orange, NJ; Edward Manley, (Broward County Hospital, Fort Lauderdale, FL) representing the International Food Service Executives Association, and Richard Ysmael (Motorola, Inc., Schaumburg, IL) representing the Society for Foodservice Management, Inc.

Four star General Thomas M. Ryan, Jr., commander of Air Training Command, will be the keynote speaker and the Chanute Air Force Band will provide spirited musical entertainment to the event.

Tickets are available to attend this prestigious affair at $25 each. Send reservation checks payable to National Restaurant Association to the attention of Ruth K. Tracy, NRA Hennessy coordinator, 311 First Street, N.W., Washington, DC 20001.

Best buys on books offered at NRA Show

NRA's educational materials center plans special savings on its entire stock of publications during the Show. Probably one of the most complete bookstores of foodservice publications, NRA will have on hand samples of its inventory.

Plan to visit the booth on the expo floor as soon as you get to the Show and before the best buys get away. There are a limited quantity of some books and all must be sold on a first-come, first-served basis. They will be mailed to you from NRA offices in Washington, DC.

Kitchen design expo brings together top industry talent

Ready to redesign your restaurant or build a new one? Where to begin? — usually with a designer. But, if you are like a lot of independent restaurateurs, cooking and management are your strong points and you're just a little intimidated by all the unknowns of design.

We've got the answer. NRA is sponsoring an invitational design exposition at the Show in conjunction with the Foodservice Society Consultants International (FSCI). Outstanding designers from across the country have been asked to design a restaurant floor plan from the dining room to the kitchen. Their results will be displayed at the Show.

Each designer invited to participate in the expo was given the same floor space and specifications to work from. Their final entries, which are startlingly diverse, will surprise you.

Restaurant designs are divided into four categories — seafood restaurants with liquor, steak specialty with liquor, gourmet restaurant with liquor and coffee shops. Designers were requested to develop their plans with productivity, energy efficiency, space utilization and minimized equipment and installation costs as key criteria.

The design expo will be located on the Concourse level of McCormick Place surrounding the Almost Perfect Kitchen.

NRA Grand Banquet

AT THE 63rd ANNUAL NRA RESTAURANT, HOTEL-MOTEL SHOW, CHICAGO, ILLINOIS

Grand Ballroom • Chicago Marriott • Tuesday, May 25, 1982
Reception: 7:00 P.M. • Dinner: 8:00 P.M.
Dancing, music, and show are all included.

Featuring:

DOC SEVERINSEN IN CONCERT

Special Guest Star:

FLIP WILSON

Order Your Tickets Today—See Order Form On Reverse

NRA membership booth — your key to the future

We want you to visit the NRA booth and discover all the new and exciting programs NRA has to offer.

The educational materials department will display hundreds of book titles in management, personnel training, food preparation, wines and liquors, design, equipment and menu planning. Membership discounts are available, plus many new titles have recently been added.

Clyde Griffith, NRA's expert legal eagle is back by popular demand to speak with interested members on various operational situations requiring legal counsel. He will also autograph his best-selling book, "The Legal Problem Solver."

The membership department is offering a special "Dream Vacation" raffle for NRA members. This "members only" contest can be entered by simply filling out an entry card at the NRA booth. The winner and a guest will spend two nights in each of these five cities — New York, Boston, New Orleans, San Francisco and Chicago. Complimentary dinner has been arranged at the cities' finest restaurants.

The winner will be announced at an exclusive members-only reception following the annual membership meeting on Monday, May 24.

What you are isn't necessarily what you will be

Huh? Have you ever wondered why people in your operation behave the way they do? And better yet — why you react to them the way you do? It's a circle of wasted energy that can be saved, according to Kim Woods of Morris Massey Associates.

Woods will explain the fundamentals of smooth employer-employee relations during her presentation at the Show, Monday, May 24, 10:30 a.m.–12:00 noon. She will demonstrate how emotions, personal events and interactions can be turned into productivity. Woods' program is a sequel to Dr. Massey's successful session of two years go.

Grand Banquet Tickets

If you have any questions call PHIL KRALOVEC (312) 787-2525

NRA Grand Banquet includes:

- cocktail reception
- music at reception
- multi-course gourmet dinner
- wine at dinner
- fabulous Las Vegas-type show
- continuous music and dancing
- tax and all gratuities included

all for only $75.00 per ticket

Mail ____ Tickets To:

Name ____ Phone ____

Company ____

Address ____

City ____ State ____ Zip ____

Three ways to purchase: $75.00 per person

1. I have enclosed my check in the amount of $____ (Make check payable to National Restaurant Association.)
2. Please charge to credit card indicated:
   ☐ American Express ☐ MasterCard ☐ Diners Club ☐ VISA

   Credit Card No. ☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐

   Interbank No. (Located Above Your Name) ☐☐☐☐ Expiration Date month ☐☐ year ☐☐

   Signature ____
3. ☐ Company purchase order attached.

Return To: **National Restaurant Association, P. O. Box 92558, Chicago, IL 60675**

The National Restaurant Association

in cooperation with

The American Culinary Federation
The Chefs of Cuisine Association of Chicago
The Executive Chefs of Illinois

ANNOUNCES...
THE CULINARY EVENTS OF 1982!!

The *"12th Annual"*

CULINARY ARTS SALON
Cold Food Competition

May 22-24

AND

The *"First Ever" ACF Approved*

Hot Food Competition

May 23-26

to be judged in accordance with the ACF CULINARY OLYMPIC TRYOUT GUIDELINES...

For additional information, contact the NRA Culinary Salon Headquarters, Denise Minchella, (312) 787-2525.

These events will be held in conjunction with the 63rd Annual Restaurant, Hotel & Motel Show.

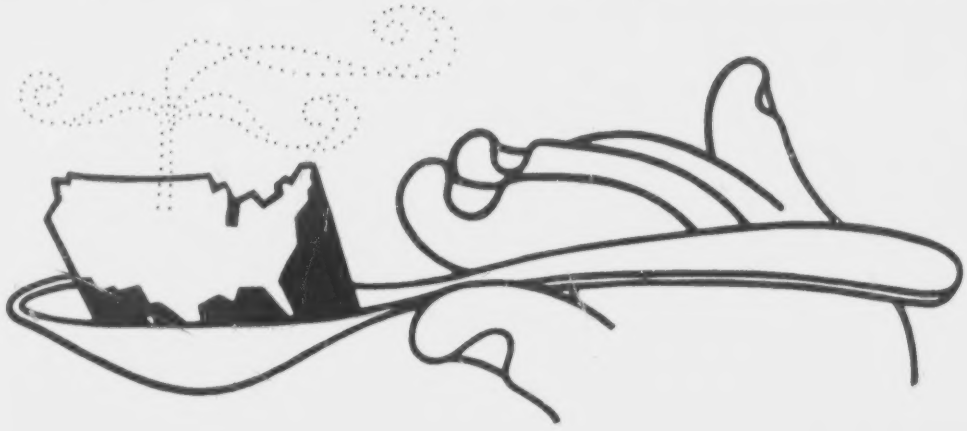
McCormick Place • Chicago, Illinois

Taste of America Raffle for NRA Members

A restaurateur's dream trip: Visit the restaurant capitals of the USA

• **5 fantastic cities,** 10 exciting nights—New York, New Orleans, Boston, Chicago, San Francisco

• The airfare and accommodations provided by TWA and Hyatt Hotels

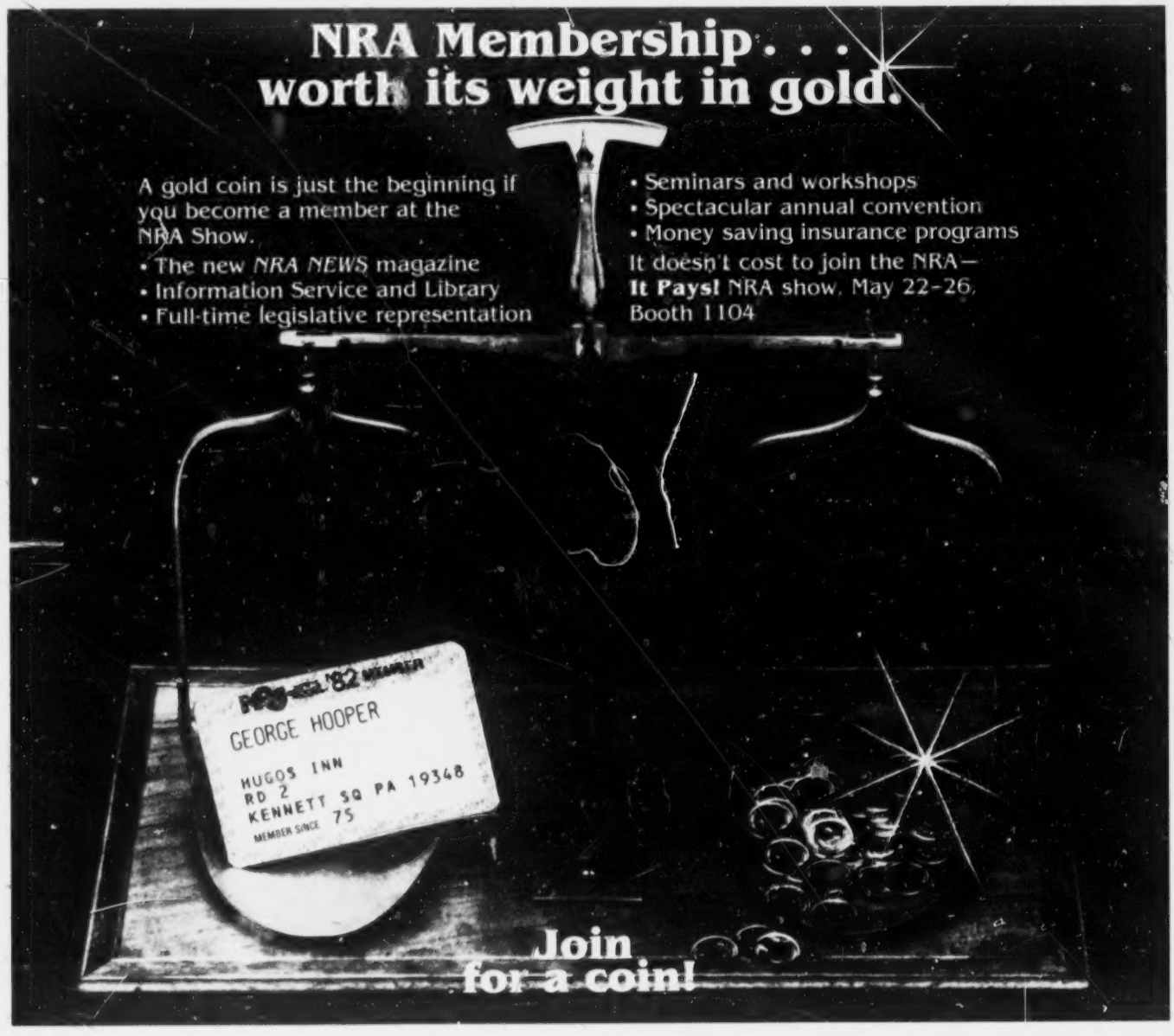


NRA Membership . . . worth its weight in gold.

A gold coin is just the beginning if you become a member at the NRA Show.

- The new *NRA NEWS* magazine
- Information Service and Library
- Full-time legislative representation
- Seminars and workshops
- Spectacular annual convention
- Money saving insurance programs

It doesn't cost to join the NRA—**It Pays!** NRA show, May 22-26, Booth 1104



Join for a coin!

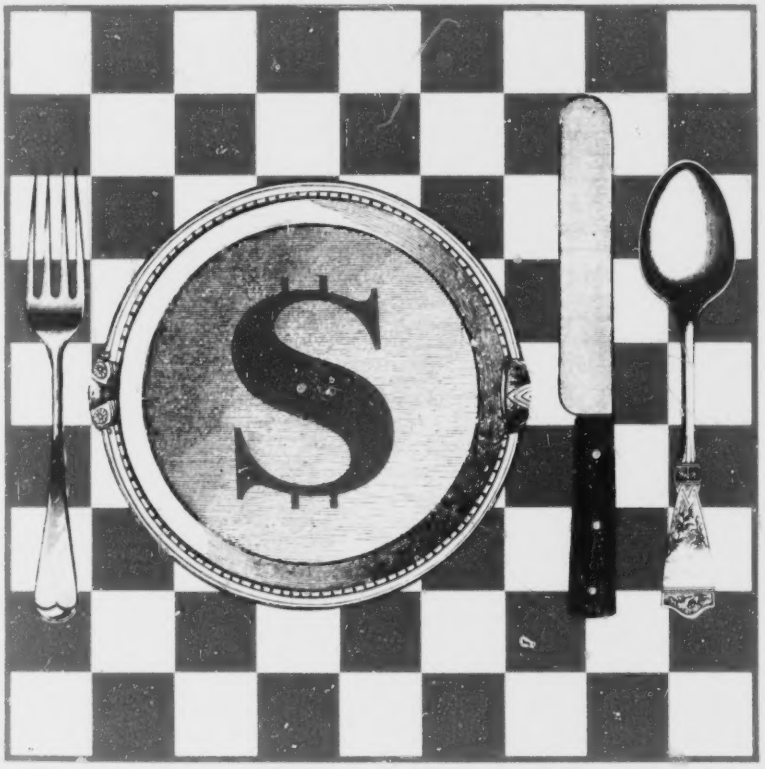
THE LAW

Labor Department clarifies meal credit position

At the urging of NRA and in partial response to the muddled pattern of enforcement concerning the meal credit (see Jan. *NRA News*), the U.S. Department of Labor (DOL) has clarified one aspect of its enforcement position on the meal credit. In a February 24 letter to NRA, DOL reaffirmed its position that employee participation in a meal credit plan must be completely voluntary (and cannot be a condition of employment), but the letter also authorized employers to set some time limitations on employees wishing to be added to the meal plan or dropped.

Employers must set up time periods...

The Labor Department will now allow employers to establish a regular period of time, not to exceed three months, during which employees must stand by their choice of participation or non-participation in the plan. Employees could change their minds about participation only at the end of each three-month period. They could not, as some compliance officers have held, opt in or out on a week-by-week or meal-by-meal basis. Employees themselves have to take the initiative if they wish to change their status when the three-month period expires.



The DOL letter reads...

"In order to assure the acceptance of the meal credit is truly voluntary on the part of employees, all employees for whom a meal credit is available must be given the option to have meals count towards their wages or not, as each one freely chooses. (For this reason, acceptance of a meal credit cannot be made a condition of employment.) Some of those employees who opt for the meal credit may decide at a later time that they no longer want to be part of such an arrangement. Where this occurs, they must be able to opt out of the meal plan and to receive the full minimum wage in cash. An employer may establish a regular period of time for which an employee may "opt in" or "opt out" of participation in a meal credit plan. Such a period could be up to three months in duration. The effective date of an employee's election of "opt in" or "opt out" of participation in a meal credit plan could be the first day of each established period. For example, were an employer to use a calendar quarter to determine the "opt in" or "opt out" period, he or she could announce that during a certain period of time the employee must specify his or her decision for the next quarter. However, it would not be necessary for employees currently in or out of a meal credit plan to reaffirm their intention to maintain their status with respect to the plan during each such period."

The Labor Department also reminds employers that they must still maintain for each employee records of dates, amounts and nature of all deductions from the minimum wage, including meal credit.

Copies of the complete letter are available from the NRA legal department.

FOODSERVICE TRENDS

NRA survey reveals executive compensation data

Staying competitive means that restaurateurs must keep abreast of the latest developments in executive compensation. To hire and retain the most qualified management personnel, the restaurateur needs to put together an attractive compensation package that compares favorably with others.

The National Restaurant Association's nationwide study of executive compensation in foodservice, conducted in cooperation with Laventhol & Horwath, contains a wealth of information regarding base salary, bonus and/or incentives, profit sharing and other benefits for 29 executive and managerial positions. The 1981 survey provides a basis for restaurateurs to compare their own compensation policies and practices with those of companies having similar characteristics.

Base salary for CEOs — $50,000...

- The median base salary for chief executive officers is $50,000. The median salaries range from $45,000 for independent operators to $71,000 for chain organizations.
- The median cost of benefits for CEOs is $10,000.
- Among nine vice presidential positions, median base salaries range from $35,000 for vice president/general counsel to $47,000 for vice presidents of finance and franchises.
- The median base salary is $30,000 for treasurers and $26,000 for controllers.

Unit level salaries...

- Among nine unit-level positions, median base salaries range from $8,000 for head waiter, a tipped position, to $23,000 for executive chef.
- The median base salary for 6,726 unit managers surveyed is $17,844. This figure ranges from a low of $12,536 at coffee shops to $23,853 at full-menu table service restaurants.
- The base median for management trainees is $13,013.

Benefit packages improve...

- The proportion of companies providing all perquisites increased between 1978 and 1981.
- The number of companies offering a dental plan nearly doubled.

Can you afford industry's top executives?

- Although a relatively small proportion of companies offer deferred compensation, the number increased dramatically between 1978 and 1981.

Detailed compensation information available...

Compensation information for each executive position is available by type of organization, ownership, type of restaurant, geographic scope of operations and sales volume.

Executive Compensation and Benefits in the Foodservice Industry is available from NRA's educational materials center. The cost is $12.50 for members, and $25 for nonmembers. Please specify order number CS-155.

Consumer attitudes about restaurant promotions revealed in new NRA study

Restaurateurs have been offering promotions and incentives over the past several years as a means to increase customer traffic. Many operators may have wondered how consumers feel about using restaurant promotions. NRA's latest consumer attitude and behavior study, Reactions to and Use of Restaurant Promotions by Consumers*, *contains information which can help operators.*

The following article presents a brief summary of attitudes toward restaurant incentives which may be beneficial in helping restaurateurs design advertising copy for their promotional offers. The full report contains more detailed information on these attitudes by demographic characteristics, such as age, sex, household income and household size. In addition, data on who uses various types of incentives, likelihood of use of specific promotions and whether or not promotions attract new and repeat business can be found in this new publication.

Consumers react favorably to restaurant promotions. . .

The majority of respondents indicated that they go to a restaurant because of the food and not because of any incentives or promotions. Seven out of 10 agreed with this statement versus only about one out of 20 who disagreed with it. Although consumers go to restaurants because of the food, most would not like to see restaurants do away with all promotions. Half (49.5 percent) disagreed with the statement, "I would like to see restaurants do away with all incentive/promotional activities," compared with 10.7 percent who agreed with it and 30.2 percent who had no opinion.

Restaurateurs may want to stress the quality and variety of the food at their restaurants when advertising a promotional offer since food is important to consumers when choosing a restaurant.

The majority of consumers consider restaurant promotions and incentives to be good values and believe that promotions can reduce the cost of eating out. Fifty-five percent agreed with the statement, "Incentives/promotions offered by restaurants are usually good values." Less than 10 percent disagreed with it. In addition, 52.7 percent feel that restaurant incentives can reduce the cost of eating out, compared with 16 percent who do not believe this statement. One-fourth of the respondents reported that without restaurant incentives they would not be able to eat out as often. On the other hand, 45.1 percent indicated that promotions have nothing to do with their ability to eat out.

Over one-third of the people surveyed indicated that promotions encourage them to try new restaurants, while 29 percent said that promotions do not get them to try a new restaurant.

**Those wishing to purchase this study can contact NRA's educational materials department. Members should specify order number CS-700, and non-members should specify CS-701 when ordering.*

Consumer attitudes about restaurant promotions and incentives

percent of respondents

Attitudinal statement	agree	neither agree nor disagree	disagree
I go to restaurants because of the food, not because of any incentives/promotions.	70.1%	14.8%	5.9%
Incentives/promotions offered by restaurants are usually good values.	54.8	26.1	9.8
I feel restaurant incentives/promotions reduce the cost of eating out.	52.7	22.9	16.0
More restaurant incentives/promotions should be directed toward adults.	40.2	42.1	8.3
Incentives/promotions encourage me to try new restaurants.	37.2	24.3	29.0
I am taking advantage of restaurant incentives/promotions more often now than in the past.	34.6	21.0	34.8
Without restaurant incentives/promotions, I would not be able to eat out as often as I do.	25.2	21.9	45.1
I would like to see restaurants do away with all incentive/promotional activities.	10.7	30.2	49.5

Note: Totals will not add to 100 percent because non-responses are not included.

Source: Reactions to and use of Restaurant Promotions by Consumers, National Restaurant Association, March 1982

Eating out varies by demographic characteristics

The National Restaurant Association commissioned National Family Opinion, Inc. (NFO) to conduct a survey on consumer reactions to and use of restaurant promotions. In that survey, which was conducted in April and May of 1981, individuals were asked how many times they had eaten at a restaurant or fast food place or had eaten food ordered from a take out restaurant during the past two weeks.

Analysis of the data revealed the incidence of eating out varies by demographic characteristics, such as age, sex, income, family size, female employment and region of the country. Analysis of this data may help restaurateurs determine who their frequent patrons are, as well as where to focus their advertising dollars. Results of this survey question are highlighted in the following report.

Most people eat out at least once...

- Seventy-five percent of the individuals surveyed reported they had visited a restaurant or eaten food ordered from a take out restaurant at least once in the past two weeks.
- The largest proportion of respondents — 34.9 percent — stated they had eaten out once or twice during the 14-day period, and 29.4 percent indicated they had eaten out three to six times. Almost eleven percent of the individuals said they had eaten out seven or more times during the past two weeks. Eighteen percent had not visited a restaurant at all during this period.

People age 18 to 24 are frequent patrons...

- People age 18 to 24 tend to eat out more frequently. Four out of 10 reported they had eaten out three to six times in the past two weeks, and 15.7 percent stated they had eaten out seven or more times.
- Nearly 35 percent of the individuals age 25 to 34 reported dining out three to six times during the 14-day period, and 10.2 percent said they had eaten out seven or more times during this period.
- The largest proportion of respondents age 35 and over indicated they had visited a restaurant or eaten food ordered from a take out restaurant only once or twice during the past two weeks. In addition, a large proportion of those 35–44 — 14.4 percent — and those 45–54 — 13.6 percent — ate out seven or more times.
- Senior citizens are infrequent restaurant patrons. Approximately 25 percent of the individuals age 65 and over had not visited a restaurant or eaten food ordered from a take out restaurant in the past two weeks. One-third reported eating out only once or twice.
- Forty-four percent of children under 12 indicated they had eaten out only once or twice in the two-week period, and 23.6 percent reported they had not visited a restaurant at all in the past two weeks.

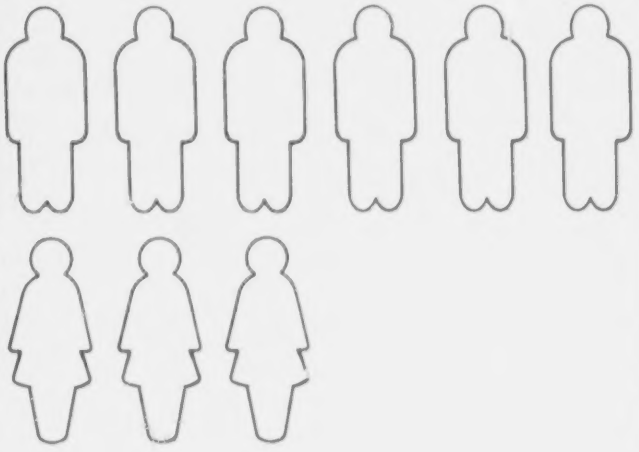
Frequency of eating out by age group*

	12 and under	13–17	18–24	25–34	35–44	45–54	55–64	65 and over
Did not eat out	23.6%	16.7%	10.8%	18.1%	11.6%	16.0%	19.4%	23.2%
1–2 times	43.9	37.5	24.7	33.2	41.2	35.7	33.6	32.3
3–6 times	26.4	35.4	39.8	34.5	30.8	27.9	26.5	21.2
7 or more times	0.7	6.2	15.7	10.2	14.4	13.6	11.3	8.1

*For two-week period

Note: Totals may not add to 100 percent because of rounding and exclusion of non-responses.

Source: National Restaurant Association, research and information services department



Men dine out more often than women...

- Fourteen percent of the male respondents stated they had eaten away from home seven or more times during the two-week period, compared with only 7.7 percent of the females.
- Three-fourths of the women reported they had visited a restaurant or eaten food ordered from a take out establishment in the two-week period, similar to the proportion for men.

Frequency of dining out*

	total respondents	males	females
Did not eat out	18.0%	17.6%	17.0%
1-2 times	34.9	32.4	37.7
3-6 times	29.4	29.3	30.5
7 or more times	10.6	14.1	7.7

*For two-week period

Note: Totals may not add to 100 percent because of rounding and exclusion of non-responses.

Source: National Restaurant Association, research and information services department

People in upper-income category eat out frequently...

- Thirty-two percent of the people from households with an income of $30,000 and over indicated they had eaten out three to six times in the past two weeks, and 14 percent stated they had visited a restaurant seven or more times during this period.
- Twenty-seven percent of the individuals from households earning less than $15,000 reported eating out three to six times in the past two weeks, and only 6.7 percent stated they had done so seven or more times during the 14-day period.
- Lower-income consumers are least likely to visit restaurants. Twenty percent of those from households with an income of less than $15,000 reported they had not eaten away from home during the two-week period, compared with only 15.4 percent for individuals from households earning $30,000 and over.

Frequency of dining out by household income*

	under $15,000	$15,000-$19,999	$20,000-$29,999	$30,000 and over
Did not eat out	20.4%	17.1%	18.3%	15.4%
1-2 times	39.1	34.5	35.7	29.7
3-6 times	27.2	30.9	27.9	32.1
7 or more times	6.7	11.2	11.3	14.1

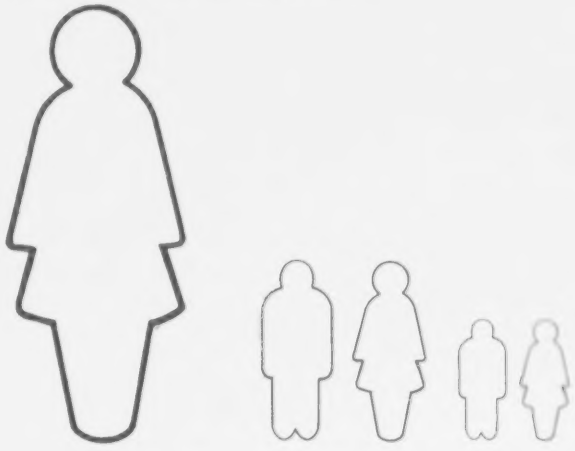
*For two-week period

Note: Totals may not add to 100 percent because of rounding and exclusion of non-responses.

Source: National Restaurant Association, research and information services department

Singles have high incidence of dining out...

- Single people dine out more often than married couples with no children and households with children. Almost half of the single respondents said they had eaten away from home three or more times during the two-week period, compared with almost 39 percent of individuals from married couple households with no children and 37 percent of households with children.



- Three out of 10 respondents from one-person households and nearly four out of 10 of those from four-member households reported they had visited a restaurant three to six times in the past two weeks.
- The largest proportion of respondents from other household sizes stated they had eaten out only once or twice during the 14-day period.

Frequency of dining out by family type*

	single	married couple/no children	youngest child under 18	youngest child over 18
Did not eat out	16.9%	20.0%	17.5%	18.1%
1-2 times	27.7	31.6	43.2	28.1
3-6 times	31.9	25.8	28.2	32.1
7 or more times	17.5	12.8	7.4	9.1

*For two-week period

Note: Totals may not add to 100 percent because of rounding and exclusion of non-responses.

Source: National Restaurant Association, research and information services department

Working women are frequent restaurant patrons . . .

- Three out of 10 individuals from households where a working woman is present reported dining out three to six times during the past two weeks, and one out of 10 indicated they had eaten away from home seven or more times during this period.
- Twenty-nine percent of those from households with a non-working woman stated they had visited a restaurant three to six times in the past two weeks, and 8.9 percent reported they had done so seven or more times.
- Individuals from households where the female head is not employed indicated that 37.5 percent had eaten out only once or twice in the two-week period, compared with 33.4 percent of the respondents with employed female heads-of-households.

Incidence of eating out varies by region of the country . . .

- People in the south eat out more often than those in any other area of the country. The largest proportion of respondents in this region — 34 percent — reported eating out three to six times during the past two weeks. This region also had the largest percentage stating they had visited a restaurant or eaten food from a take out establishment seven or more times during this period.

- Twenty-eight percent of the individuals surveyed in the northeast and midwest regions and 26 percent of those in the west indicated they had eaten away from home three to six times during the two-week period.
- People in the northeast, midwest and west tend to dine out less often than those in the south as almost four out of 10 said they had visited a restaurant only once or twice during the past two weeks compared with about three out of 10 southerners.

Frequency of dining out by region of the U.S.*

	Northeast	Midwest	South	West
Did not eat out	20.2%	17.7%	14.4%	20.7%
1-2 times	35.8	36.4	32.2	35.7
3-6 times	27.7	28.0	34.1	26.0
7 or more times	9.5	9.7	12.5	10.7

Note: Totals may not add to 100 percent because of rounding and exclusion of non-responses.

Source: National Restaurant Association, research and information services department

Menu prices increase in 1981

Menu price increases varied by region and city in 1981, according to NRA's analysis of Bureau of Labor Statistics' Consumer Price Index data. Following the trend nationwide, most areas experienced slower gains in prices for food away from home last year than during the previous two years. Despite this moderation, most regions and cities experienced faster gains in restaurant meal prices than in grocery store food prices during 1981.

Menu prices in midwestern region rise at slower rate...

Restaurant meal prices moderated in three out of four census regions between 1980 and 1981. The exception was the south where prices increased at the 1980 level — 8.9 percent.

Table 1
Percentage increase in food prices by region of the U.S. — 1979–1981

Region	1979/ 1978	1980/ 1979	1981/ 1980
Northeast			
food at home	10.2%	8.1%	7.1%
food away from home	9.9	11.0	10.2
Midwest			
food at home	10.7	7.6	6.8
food away from home	11.6	10.3	8.0
South			
food at home	11.2	8.4	7.6
food away from home	11.8	8.9	8.9
West			
food at home	11.3	7.8	8.0
food away from home	11.3	9.2	8.7
U.S. city average			
food at home	10.8	8.0	7.3
food away from home	11.2	9.9	9.0

Source: Consumer Price Index, Bureau of Labor Statistics

The midwestern region experienced the slowest rise in menu prices last year with a gain of eight percent. This increase compares with rises of 11.6 percent and 10.3 percent in 1979 and 1980, respectively. Prices for food away from home advanced 8.7 percent in the west during 1981. The northeast, with a 10.2 percent gain, outpaced the U.S. average of nine percent.

Prices for food away from home rose faster than those for food at home in all four regions during 1981. The midwest experienced the smallest gain in grocery store food prices of 6.8 percent; the western region had the largest gain of eight percent.

When menu price increases are analyzed by city size within the four regions, we find they are advancing more slowly in cities with populations of 75,000 to 385,000 located in the northeast and midwest — 7.4 percent — than in cities of the same size in the south and the west — 8.2 percent and 9.4 percent. Menu prices in small cities, those with a population of less than 75,000, increased at a double digit pace in three out of the four regions.

Washington menu prices up only 2.4 percent in 1981...

Menu prices in Washington, D.C., advanced at the slowest rate in 1981, compared with the other metropolitan areas surveyed by the Bureau of Labor Statistics. Prices for food away from home rose 4.2 percent in the Washington metropolitan area, considerably below the U.S. average of nine percent. Chicago and Boston also experienced moderate gains in menu prices of 5.4 percent and 6.1 percent, respectively. On the other hand, prices for food away from home advanced at double digit rates in New York, Atlanta, Houston, Philadelphia, Cleveland and Milwaukee.

Generally, menu prices rose at a faster rate than grocery store prices in 1981. However, price increases for food at home outpaced those for food away from home in Chicago, Dallas/Ft. Worth, Denver, Honolulu, St. Louis, Seattle and Washington, DC.

Table 2
Percent change in menu prices by city size
1981

Population size	Northeast	Midwest	South	West
More than 1,250,000	11.0%	7.4%	8.3%	8.4%
385,000–1,250,000	8.2	10.2	9.1	8.0
75,000–385,000	7.4	7.4	8.2	9.4
Less than 75,000	11.3	9.0	11.6	11.1

Source: Consumer Price Index, Bureau of Labor Statistics

Table 3
Percent increase in food prices for standard metropolitan areas — 1979–1981

	1979/1978	1980/1979	1981/1980
Anchorage[2]			
food at home	10.7%	7.1%	2.3%
food away from home	12.8	5.6	8.5
Atlanta[3]			
food at home	10.2	7.7	7.1
food away from home	11.2	8.6	11.7
Baltimore[2]			
food at home	8.9	8.6	5.8
food away from home	10.2	7.2	9.0
Boston[2]			
food at home	11.2	6.6	5.7
food away from home	10.1	8.0	6.1
Buffalo[3]			
food at home	11.8	8.6	8.1
food away from home	6.4	8.3	9.3
Chicago[1]			
food at home	10.5	7.9	6.0
food away from home	11.8	11.3	5.4
Cincinnati[2]			
food at home	11.5	7.9	7.3
food away from home	11.9	9.4	9.4
Cleveland[3]			
food at home	11.1	6.3	8.0
food away from home	9.5	10.3	10.6
Dallas/Ft. Worth[3]			
food at home	11.0	8.7	8.4
food away from home	16.0	10.4	7.4
Denver[2]			
food at home	10.1	2.5	8.7
food away from home	12.2	5.2	7.5
Detroit[1]			
food at home	11.0	9.0	7.8
food away from home	8.6	6.6	7.8
Honolulu[3]			
food at home	15.3	8.6	10.4
food away from home	7.8	7.8	9.2
Houston[3]			
food at home	11.6	8.5	9.0
food away from home	17.8	10.1	11.7
Kansas City[3]			
food at home	10.4	8.6	5.5
food away from home	12.7	8.7	6.8
Los Angeles[1]			
food at home	11.4	9.1	8.0
food away from home	10.5	7.1	8.1
Miami[2]			
food at home	12.7	8.0	7.4
food away from home	13.9	6.5	8.7
Milwaukee[2]			
food at home	11.3	6.0	8.8
food away from home	12.9	7.9	10.1
Minneapolis[3]			
food at home	11.6	6.6	4.3
food away from home	14.0	10.9	8.7
New York[1]			
food at home	9.8	8.2	7.7
food away from home	8.0	11.7	12.3
Philadelphia[1]			
food at home	8.6	7.0	5.9
food away from home	12.7	10.5	11.1
Pittsburgh[3]			
food at home	10.9	7.6	7.3
food away from home	7.5	12.0	8.6
Portland[1]			
food at home	11.7	6.4	7.7
food away from home	14.1	8.4	7.9
St. Louis[2]			
food at home	10.8	6.3	7.8
food away from home	13.0	10.5	6.3
San Diego[2]			
food at home	10.3	9.3	7.2
food away from home	13.6	8.6	7.4
San Francisco[3]			
food at home	12.7	7.2	6.4
food away from home	12.0	7.8	9.2
Seattle[2]			
food at home	8.5	7.4	8.3
food away from home	14.5	8.5	7.9
Washington, D.C.[2]			
food at home	12.4	8.5	5.5
food away from home	10.1	5.9	4.2
U.S. city average[1]			
food at home	10.8	8.0	7.3
food away from home	11.2	9.9	9.0

[1] *Price index computed monthly*
[2] *Price index computed bi-monthly, beginning with January*
[3] *Price index computed bi-monthly, beginning with February*

Source: Consumer Price Index, Bureau of Labor Statistics

Commodity spotlight — price and availability forecast

Overall wholesale food prices rose 1.6 percent in January from the December level, according to the Bureau of Labor Statistics' All Food, Producer Price Index. However, wholesale food costs for restaurant operators increased at a somewhat faster rate of 2.9 percent during the same one-month period. Higher prices for fresh vegetables, pork, fish and shellfish and sugar contributed to the rise in food costs for restaurant operators in January.

Fruit — Supplies of fresh Florida oranges will decline considerably as a result of the January 11 freeze. Based on conditions on February 1, the U.S. Department of Agriculture (USDA) estimates production will total 136 million boxes — down 16 percent from the January 1 forecast. Substantially higher orange prices can be expected because of the freeze damage in Florida, as well as the smaller California crop.

Juice yield also fell as a result of the freeze; however, USDA predicts supplies of frozen orange concentrate will be adequate to meet market demand because of large carryover stocks and continued large imports from Brazil.

Vegetables — Supplies of fresh vegetables will be smaller this winter because of freeze damage to the Florida crops, as well as a decrease in planted acreage and a delay in the start-up of the Mexican winter vegetable season. Supplies of tomatoes, green peppers, beans, squash and cucumbers will be in comparatively short supply due to freeze damaged crops. As a result, USDA expects prices will continue to advance, however, they will probably remain below the highs reached last winter.

Beef — Beef supplies have tightened in recent months as the cold weather reduced the efficiency of cattle weight gains. USDA estimates supplies will increase, however, as producers bring more cattle to market in the spring. Beef production in the first quarter of 1982 is forecast to increase slightly, up one percent from the same period a year ago, however, USDA expects output will fall to 5.3 billion pounds in the April–June period, down 2.8 percent from a year ago.

Prices for Choice steers at Omaha will average $63 per hundredweight in the first quarter of 1982, up 1.6 percent from $61.99 in the same period a year ago. USDA projects prices will increase slightly to $66 per hundredweight in the second quarter, unchanged from the same three-month period in the prior year.

Pork — Pork production is forecast to decline nine percent in the first quarter of 1982 from the same period in the year earlier. USDA predicts that output will fall in the second quarter as well, down almost eight percent from the same three-month period in 1981.

Hog prices are expected to strengthen in the January–March period, averaging $47 per hundredweight, up 14.3 percent from $41.13 in the same period in the prior year. The cold weather caused problems transporting hogs to market, and, as a result, slaughter declined and put upward pressure on prices. USDA reports that prices will continue stronger in the second quarter as well, averaging $48.50 per hundredweight, up 11.2 percent from $43.63 in the same three-month period in 1981.

Broilers — Broiler production should rise two percent in the first quarter of 1982 from the same period in 1981. However, USDA estimates output will rise only one percent in the second quarter from a year ago. The cold weather adversely affected production at the hatcheries and is a factor contributing to the smaller gain in output projected for the second quarter.

USDA predicts prices will average 44 cents per pound in the first three months of 1982, down 10 percent from 49 cents per pound in the same period in 1981. Prices are forecast to average 46 cents per pound in the April–June quarter, down slightly from 46.7 cents per pound in the same three-month period in the previous year.

Information in this article describes the food situation in early March 1982. Readers should be aware that prices and supplies of many commodities can change rapidly. For the latest information on wholesale food prices and supplies, contact NRA's research and information services department in the Washington office at (202) 638-6100.

Commodity price index

Commodity	1980–1981	percent change Jan. '82 Jan. '81	Dec. '81 Jan. '82
Bakery products	8.3%	5.2%	0.3%
Flour and cereal	–7.0	2.3	0.5
Beef and veal	–5.0	6.5	2.3
Other meats	7.6	5.2	9.7
Pork	11.4	0.4	8.2
Poultry and eggs	2.4	–11.5	–0.3
Poultry	NC	–16.0	1.7
Eggs	9.2	0.7	–4.4
Fish and shellfish	1.8	7.2	4.3
Sugar and sweets	–2.9	–14.4	2.3
Sugar	–13.6	–23.0	3.9
Vegetables	22.6	11.1	8.7
Fresh vegetables	27.1	8.1	12.8
Fruits and juices	4.1	16.0	–3.5
Fresh fruits	–5.2	18.8	–8.6
Beverages	–2.3	4.4	1.0
Dairy products	6.4	1.0	0.2
Fats and oils	2.1	0.6	–0.4
NRA Food Cost Index	3.0%	0.8%	2.9%
All Food, Producer Price Index[1]	3.1%	–1.4%	1.6%

[1] *Includes all processed foods (except soft drinks, alcoholic beverages and animal feeds) plus eggs and fresh and dried fruits and vegetables.*

Sources: Producer Price Index, *Bureau of Labor Statistics;* NRA

Industry index

Sales at eating and drinking places increased a modest 1.1 percent in January 1982 from the same month in 1981. This compares with a faster 5.4 percent advance during December 1981.

Eating place sales advanced 5.9 percent in December from the same period in 1980 for a real sales decline — adjusted for inflation — of 1.3 percent. However, for all of 1981 real sales growth for eating places was one percent. NRA forecast eating places to experience positive real growth of 1.0 percent in 1981, representing the first increase in two years.

Menu prices (Consumer Price Index for food away from home) continued to moderate in January, increasing 6.7 percent from the same month a year ago. This compares with a slightly faster gain of 7.2 percent in the month earlier.

Prices for food at home have been rising at a slower rate than food away from home, according to the Bureau of Labor Statistics Consumer Price Index. Food at home rose only 3.6 percent in January from the same month a year ago, slightly faster than the three percent gain experienced in December. Menu prices are rising at a much slower pace than the overall rate of inflation, however.

Retail sales
(000,000)

	Jan. 1982	Percent change vs. January year ago	Year-to-date Jan. 1982	Percent change vs. year ago
All retailers	$77,044	– 0.4%	$77,044	– 0.4%
Eating & drinking places	7,140	1.1	7,140	1.1
Food stores	19,920	3.8	19,920	3.8

Source: Bureau of Census, unadjusted data; subject to revision

Eating place indicators
(000,000)

	Dec. 1981	Percent change vs. year ago	Year-to-date 1981	Percent change vs. year ago
Eating place sales	$6,959	5.9%	$83,933	10.0%
Real eating place sales (Dec.)	—	(1.3%)	—	1.0%

Sources: Bureau of Census, Bureau of Labor Statistics, NRA calculations; subject to revision

Consumer prices

	Percent change vs. January year ago	Percent change Dec. '81 vs. Dec. '80	
Food at home	3.6%	3.6%	
Food away from home	6.7	6.7	
All items less food	9.2	9.2	

Source: Bureau of Labor Statistics

Employment and earnings

	Dec. 1981	Percent change vs. year ago
Total employment	4,890,000 employees	+ 3.6%
Non-supervisory employment	4,500,600 employees	3.4
Non-supervisory average hourly earnings	$4.05 per hour	7.1
Average weekly hours	25.7 hours	– 1.2

Source: Bureau of Labor Statistics

BILL OF FARE

A New Twist in Take Out

"I'm hungry. I'm tired. I've worked so hard all day. I need dinner. A good dinner. I deserve something really delicious. But the last thing I want to do is stand in line at the grocery store, stand over a stove cooking dinner and stand over the sink washing dishes. I've been away from home all day. I just want to have a relaxing dinner. What's the solution?

How's business? Business is fine. Customers are happy. We have a full house every night. I'd like to expand the restaurant to do even more business and make more money, but I just don't have the space or the capital to do that right now. What's the solution?

The solution to both problems may be a lot simpler than you imagine. Take out service. Why not? It worked wonders for the fast food chains. Fifty-eight million families or 92 percent of all American families visit a take out restaurant at least once a year.

Take out service provides customers with the flavor of your restaurant and the comforts of their own home or wherever they choose to dine. It allows you to keep your sit-down clientele and increase your sales. But best of all you won't even need to enlarge your establishment.

The French-style take out...

Francois' is a very French, French restaurant in the Arco Plaza, Los Angeles, CA. Francois' creates a relaxed atmosphere for 150 guests to savor superb French cuisine and fine wines. But Francois' does not limit its clientele to the confines of its decorative walls.

Savoring the season...

Charla King, Francois' regional director of public relations and advertising, explained how the restaurant's take out service evolved. "Los Angeles has a very popular Hollywood Bowl season which runs from July 4 to September 11. This is also the time when the Los Angeles Philharmonic conducts outdoor concerts. The crowds always take food — anything from fried chicken in cardboard buckets to elegant dining complete with candles, linen, chafing dishes and flowers. Francois' staff realized that a good number of its regular patrons

wouldn't be coming to the restaurant anyway because they would be going to the Hollywood Bowl. And a lot of our guests who normally entertain clients in our restaurant would be taking them to outdoor concerts during the summer season. This realization is what primarily prompted us to offer our gourmet picnic service."

A gourmet picnic provides the perfect touch...

Francois' take out offers three entree selections — each served with marinated fresh vegetables, imported cheese and crackers, sourdough roll, fresh fruit and a French pastry prepared by Francois' own pastry chef. Entree choices include

- sliced New York sirloin with mustard sauce served with sliced smoked salmon with capers and thinly sliced onions
- sliced breast of roast duck with orange glaze served with Proscuitto ham with cornichons or
- poached salmon with mustard sauce and Francois' pate served with cornichons.

Each dinner is packed in individual containers and comes with condiments, utensils, after dinner mints and handy wipes. The dinners cost $16.50 each and are placed in beautiful wicker baskets — a $30.00 deposit is refunded when the basket is returned. If people wish to keep the basket — and many do — they merely forfeit their deposit. The basket can be used over and over again for other Francois' dinners or for any picnic service.

Tailgating in luxury...

In keeping with the elegance of the evening, Francois' will provide limousine service for their patrons. "Since we knew where many of our regular customers were, we decided to add a specialized limousine service to meet their needs and increase our sales. And increase our sales it very definitely did. Last year, we sold 1,500 picnic dinners in a 10-week period — 80 in one night alone, but that was a definite peak. If people are entertaining clients, sometimes they will use our limo service to pick up their guests and take them to the Hollywood Bowl. Many times, people want to go, enjoy

the show, drink the wine and not worry about driving home. Francois' makes this all possible," explained Charla King.

A word of caution — start slowly. . .

Francois' opened in 1973 and first offered its gourmet picnic service in 1978. The first year the take out service was offered, they didn't even advertise. The staff did a mailing to their house account customers announcing that elegant picnic service was available. The second year, they displayed the wicker picnic basket and pictures of the food offerings. Each summer, they increased the publicity.

King explains that coordination between the kitchen and the front people is a crucial factor to the success of the undertaking. "We have been successful because the kitchen staff has grown better able to handle it every year. The 1,500 take out orders were handled smoothly last year because we had the same people working on it as the year before. A little overtime was involved, but it was not necessary to add even one extra person for this additional business. Now there are staff people, starting in the quiet afternoons of April, preparing containers and packaging condiments and plastic wear to be ready for July. Everything you can have done ahead of time, do," advises King.

Exposure spin off. . .

"The gourmet picnic service provided a tremendous vehicle for exposure for Francois'," continues King. Everyone who purchased an order from us is actually a walking advertisement for Francois'. The attractive wicker baskets, with the Francois' label and bright red, white and blue ribbon, are readily distinguishable. It would be hard for others at the Bowl not to notice this."

Francois' had a good idea when guests ordered the picnic take out — they invited the customers to add their names to a list to be notified of the restaurant's special events. As many as 50 percent of the names were new last year. Now, people who were not former patrons, come into Francois' when they're not at the Bowl and also at other times of the year.

For the future. . .

The changing lifestyles of the American family has made fine take out dining a very lucrative market. There is definitely a need for this kind of dining not only in the summer but all year. Charla King tells us that Francois' is looking into it right now. "We're working on the preliminary considerations of items that won't lose any of their flavor or crispness when taken out and reheated. Again, we are moving slowly on this. Packaging will also be an important consideration." (See a future *NRA News* for article on new packaging.)

Another kind of take out service. . .

The Lido Cafe in Falcon Heights, MN, has been serving authentic home-style, primarily Italian food for over 25 years. The Labalestra family has served take out in addition to its 150-seating capacity since the day they opened. But two years ago, the family added something new and the Lido Cafe has never seen happier days.

Refrigeration — the way to fulfill customer requests. . .

In the words of John Labalestra, president of Lido Cafe, "Lifestyles are definitely changing. People want to grab something to eat in a hurry. Women don't have two or three hours to spend preparing dinner because they're at the office, the store, the factory or wherever. The advent of the microwave has led people to rely on a quick meal. But they still want distinctive items. The changing times have altered meal habits, not taste buds."

In the spirit of going with the flow, the Labalestra's invested in a big upright three-compartment freezer and put it in their lobby which then became their deli. The cost of the freezer, hook up, supplies and minimal marketing material was under $10,000. Sales continue to increase. In 18 months, the freezer paid for itself and sales on an annual basis are in excess of $30,000 for just the frozen deli. Their hot take out is 12 percent of business which is $120,000 a year.

The seven-foot long, seven-foot high freezer took up very little space in the lobby — under two percent — and the frozen deli did not diminish sales of the hot deli at all. "It's a whole different market, explained Labalestra. "We didn't need to add any new people but we did extend the shifts of some part-timers and incorporated one part-time worker into a full-time employee."

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CAFE T.M.
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100% NATURAL
WITH MUSHROOMS
INGREDIENTS: TOMATOES, WATER, TOMATO PASTE, MUSHROOMS, SUGAR, RICE STARCH, SALT, OLIVE OIL, CITRIC ACID, SPICES, ONION POWDER, BLACK PEPPER, GARLIC POWDER
Dist. By LIDO SAUCEY REVUE & ITALIAN FOOD CO., INC. St. Paul, MN 55113
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Lido Cafe's spaghetti sauce is sold in local grocery stores.

Production plans are kept simple. . .

"All we do when preparing food for the deli, which includes such items as Italian chicken vegetable soup, old Boston-style clam chowder soup, minestrone soup, white or red clam sauce, creole sauce, hunter's sauce, barbeque sauces, veal scaliopine, veal parmigiana, chicken cacciatora, baked lasagne with Italian sausage, baked manicotti, uncooked Italian sausage, three different pizzas and cheese and garlic bread, is make a larger quantity of the item we're making anyway and then put it into a bag process and freeze. The quality is unbelievable! Sometimes it surpasses what is served in the restaurant because we use a high quality plastic and freeze it immediately so all of the freshness is sealed in whereas soups and sauces that sit on the steam table for awhile might tend to lose a bit of the fresh quality," said Labalestra.

Use of deli broadens. . .

As patrons stop by the deli for an occassional item, they find their favorites and then purchase them in large amount — anywhere from $10 to $50 at a time. Lasagne, a typical deli item, sells for $2.45 in the deli, $3.25 if heated and, if consumed in the restaurant with salad and bread and butter, $6.95.

Out-of-town sales are very large. And often people having a dinner party in their homes come in the day before and order bulk quantities for their guests. People keep coming back to the Lido because it's a very unique restaurant. You're not going to find their creamy Italian dressing anywhere but at the Lido. The food is all made from scratch and the recipes have been developed and perfected over the 25 years they've been in business. An example of this is the egg yolk they put in their Fettucini Alfredo. Many of even the very elegant tablecloth restaurants stay away from doing this, because that's the hard way. John Labalestra sums it up this way, "We dedicate ourselves to quality and yet offer the food at a reasonable price. We believe,this concentration on quality has been the leading contributing factor to our success."

The deli creates new avenues of expansion. . .

John Labalestra explains that the Lido sells over 100 hot take out units a day and 75 to 100 units a day on the frozen deli, and although he is more than pleased with the increased sales, the thing he is most delighted about is the opportunity his take out service provided him to get into the expansion of other lines.

Lido spaghetti sauce is seen on grocery store shelves. . .

The bottling and packaging of food for people to take home from the deli paved the way for the bottling and packaging of food for people to take home from the supermarket shelves. The 100 percent natural Lido Cafe spaghetti sauce — in 32 ounce jars — can now be purchased at St. Paul-area grocery stores for the suggested retail price of $1.76 a quart. The supermarket proved an excellent way for the Labalestra's to reach a larger market. The Lido Cafe boasts of overwhelming success with this product. The first year alone, they sold 10,000 cases. And in the first five months of the second year, they sold 6,000 cases. The family feels that the "That's quality" byline on their jars succinctly sums up their whole philosophy of using vine-ripened tomatoes, 100 percent imported olive oil and the finest of herbs in their sauce. The Lido Cafe spaghetti sauce is a universal sauce that can also be used for lasagne, chili and other dishes. The family has started putting it into gallon containers for the institutional market.

The Lido Cafe looks to tomorrow. . .

Right now, the 75-member staff at the Lido is beginning to put together a program that markets cases of frozen pizzas directly to the customer at prices competitive with and sometimes below the prices of those sold in the grocery stores. They will market this out of their deli, they have have no plans to bring it into the supermarkets yet. "Again the high quality of the pizza will be the key to its acceptance in the market," said John Labalestra.

Although the Lido Cafe is expanding its take out and deli markets, it's sit-down service is still of the highest quality. The Cafe is meeting the needs and changing trends of consumers in more ways than one. For example, they serve winter hot drink specials like amaretto and apple cider, their desserts include a special spumoni laced with pistachios and they even remember the dieter in all of us with their 500-calorie meal consisting of a five-ounce broiled hamburger patti served with cottage cheese, dry toast and fruit for strong days.

People eat something every single day of their lives — many three or more times a day, most twice, everybody once. Feed them. Find them and feed them. They may be sitting in your restaurant, they may be at their jobs working, they may be in their homes relaxing, or they may be at public places of entertainment having a good time. Wherever. Find them and feed them. That's what you've always wanted to do anyway, right?

TECHNICAL SERVICES

Avoid roofing problems with maintenance

An effective roof maintenance program costs only pennies per square foot. The alternative — a replacement roof — will add up to dollars per square foot.

The first step in examining a roof is to obtain a core sample. An inspection of the core will indicate if there are any potential problems due to low quality materials or faulty original installation.

Do not wait until there is a leak. By then roofing materials may be totally saturated and beyond repair. A twice a year inspection, followed by necessary maintenance, will extend the life of your roof many times over.

Where do you start?. . .

Since over 80 percent of all roof leaks begin within 12 inches of the perimeter, start by inspecting the flashing or metal edges. Flashing is used to provide a waterproof seal in almost all intersecting surfaces, such as a joint between the roof and wall. Problems occur because flashing joins different materials with different thermal characteristics. For example, expansion during a 100 degree Fahrenheit temperature rise for 10 feet of brick is 1/3 inch, compared to 1/4 inch for 10 feet of felt, 1/8 inch for 10 feet of asphalt and 5/64 for 10 feet of concrete. As these materials all expand and contract at their own rate during seasonal changes, the flashing may open at the joints, and the roof may develop bulges and tears.

Further damage may occur from servicemen who, while working on rooftop equipment, step on or kick the flashing. The vibration caused by refrigeration and air conditioning units on the roof will also contribute to the deterioration of the flashing. Repairs to the flashing areas may be made with the use of a premium-type roof cement, which may be strengthened with a fabric membrane.

Other roofing problems. . .

When a roof is closed on its perimeter with a metal edge which extends under the roof, splits in the roof may occur at the metal edge joints. Repairs may be made with a mastic roof cement with or without a reinforcing membrane.

The vertical seams of the flashing and edging material must be sealed tightly. The use of an elastomeric material (a compound that expands and contracts without rupturing) applied with a trowel will solve this particular problem.

Besides perimeters, any place where the roof is penetrated by ducts, vents or supports for equipment can be potential problem areas. Application of an elastomeric material in time can inhibit problems.

Blisters are another common roof fault. They are usually traced to improper roof installation in which voids in built-up roofs permit condensation of moisture. Initial application of wet felt or moisture seeping into insulation through breaks in the roof or flashing will cause blisters because the moisture expands as it warms. Blisters themselves will not cause a leak until they are stepped on or penetrated. Blisters can be cut open to permit wet material to dry. The cut can then be repaired with a quality roof cement.

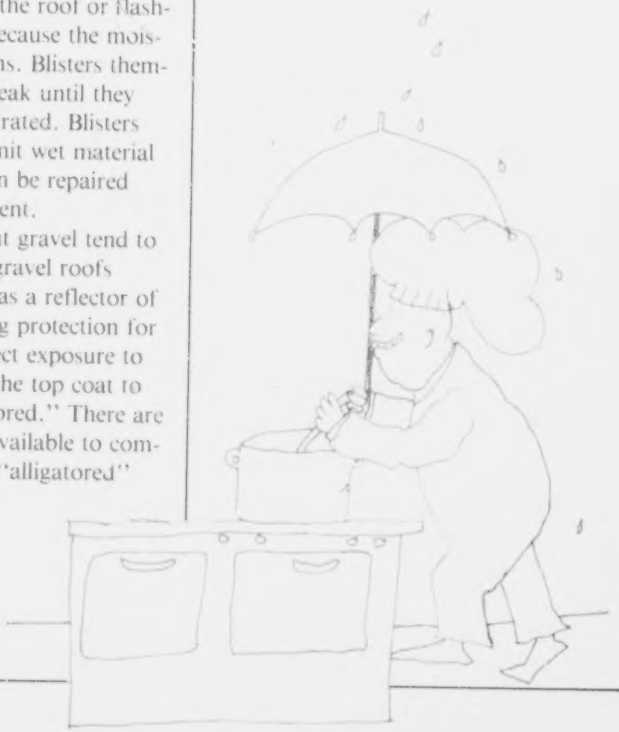
Smooth roofs without gravel tend to deteriorate faster than gravel roofs because the gravel acts as a reflector of the sun's rays, providing protection for the flood coat. The direct exposure to the sun rays will cause the top coat to dry out and be "alligatored." There are a number of products available to complete a new coat on an "alligatored" roof.

Another consideration for a black roof surface is the application of a reflective coating. This will provide protection from the rays of the sun. By reducing the temperature extremes on a roof, the loss of oils can be reduced, and the roof will maintain its resiliency.

Gravel top roofs, although better than smooth roofs, are also subject to drying out. These roofs may be rejuvenated with the application of a penetrating oil. This will give your roof a renewed elasticity and will retain its water tightness.

Some roof problems are evident from the ground. White streaking on brick walls is efflorescence, usually a deposit of salts that has been leached from mortar as moisture moves through it. This is a clear indication of the failure of the roof system, the most likely culprit again being the flashing.

Any program of roof maintenance must include a cleaning program. You should not have to mow a roof. Remove any plant growth and correct conditions, such as ponding, which nurture plant growth.



NRA SEMINAR SCHEDULE

Practical Accounting for Foodservice Managers
Apr. 19 Boston, MA

Food & Beverage Operations Auditing
Jun. 10 Los Angeles, CA

Bar Management
Apr. 26–28 Philadelphia, PA
Jun. 7–9 Washington, DC

Simplified Baking Workshop
Apr. 28 Detroit, MI

Basic Supervision
May 4 Burlington, VT
May 11 Dallas, TX
Jun. 15 Denver, CO
Jun. 17 Las Vegas, NV
Jun. 28 Tampa, FL
Jun. 30 Washington, DC

Budgeting and Profit Planning
May 22 Chicago, IL
NRA SHOW

Computers
Apr. 22 Washington, DC
May 22 Chicago, IL
NRA SHOW
Jun. 7 Dallas, TX
Jun. 9 Phoenix, AZ

NRA National Conference on Human Resources
June 21–22 Washington, DC

Controlling Food Costs
May 22 Chicago, IL
NRA SHOW
Jun. 21 Chicago, IL
Jun. 23 St. Louis, MO

Creative Merchandising Techniques
Apr. 21 Washington, DC
May 6 Newark, NJ
Jun. 24 St. Louis, MO

Dining Room Management
Jun. 7 Hartford, CT
Jun. 9 Rochester, NY

Fish & Seafood
May 17 San Francisco, CA
May 19 Los Angeles, CA
Jun. 15 Detroit, MI
Jun. 17 Milwaukee, WI

Hiring Hourly Employees
Apr. 26 Newport Beach, CA
May 22 Chicago, IL
NRA SHOW
Jun. 28 Seattle, WA

Improving Food Production Methods
Apr. 22 Rochester, NY
Apr. 29 Pittsburgh, PA
May 10 Dallas, TX
Jun. 15 Minneapolis, MN
Jun. 21 Honolulu, HI
Jun. 24 Portland, OR

Kitchen Management
Apr. 19 Oklahoma City, OK
Apr. 21 Minneapolis, MN
Apr. 29 Portland, OR
Jun. 7 Chicago, IL
Jun. 22 Boston, MA
Jun. 24 King of Prussia, PA

Management Recruitment and Selection
May 22–23 Chicago, IL
NRA SHOW

Market Research
Jun. 14 Houston, TX

Marketing for Profit
May 22–23 Chicago, IL
NRA SHOW

Practical Meat Workshop
Apr. 19 Seattle, WA
Apr. 21 Denver, CO
May 4 Atlanta, GA
Jun. 21 Los Angeles, CA
Jun. 23 San Francisco, CA

Menu Development
May 22 Chicago, IL
NRA SHOW
Jun. 3 Hyannis, MA

Off-Premise Catering
Apr. 19–20 Tampa, FL
May 22–23 Chicago, IL
NRA SHOW

Operational Analysis
May 22–23 Chicago, IL
NRA SHOW

Performance Review
Apr. 27 Newport Beach, CA
May 23 Chicago, IL
NRA SHOW
Jun. 29 Seattle, WA

Real Estate and Site Selection
May 22–23 Chicago, IL
NRA SHOW

Restaurant Design and Facilities Planning
May 22–23 Chicago, IL
NRA SHOW
Jun. 1–2 Atlantic, NJ

Soups & Sauces Workshop
Apr. 26 Scottsdale, AZ
Apr. 28 San Diego, CA
May 5 Seattle, WA
Jun. 14 Orlando, FL
Jun. 17 Williamsburg, VA

Super Salads
May 6 Nashville, TN

How to Turn Your Restaurant Business into a Private Tax Shelter
May 22–23 Chicago, IL
NRA SHOW

For more information, contact registration secretary, seminar department, NRA Washington office, (202) 638-6100 or (800) 424-5156.